

2017 – 2018

**PROPERTY TAX CODE
SECS 6.05 AND 25.18**

**CENTRAL APPRAISAL DISTRICT
OF BANDERA COUNTY**



Biennial Reappraisal Plan

BOARD OF DIRECTORS:

Bo Mansfield - Chairman
Randy MacNaughton - Vice-Chairman
Gary Johnston – Secretary
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Lee Haile - Member
Nick Palacios – Member
Gwenda Tschirhart - Member

Amended Plan Adopted by Resolution No. 2017-1
January 31, 2017
Adopted by Resolution No. 2016-6
August 18, 2016

RESOLUTION NO. 2017 -1

STATE OF TEXAS {}

RESOLUTION APPROVING THE AMENDED
2017/2018 BIENNIAL REAPPRAISAL PLAN FOR
THE CENTRAL APPRAISAL DISTRICT OF
BANDERA COUNTY

COUNTY OF BANDERA {}

BANDERA CENTRAL APPRAISAL DISTRICT

WHEREAS, Section 6.05 (i) of the Texas Property Tax Code requires that the District Board of Directors (B.O.D.) biennially approve a written plan for periodic reappraisal of all property within the boundaries of the district, according to Section 25.18 of the Texas Property Tax Code, and

WHEREAS, the DISTRICT B.O.D. has notified the presiding officer of the governing body of each taxing unit participating in the DISTRICT a written notice of the time, date, and place of the public hearing, and

WHEREAS, the DISTRICT B.O.D. has held a public hearing on January 31, 2017 to consider amendments to the written plan, and

NOW THEREFORE, be it RESOLVED that the DISTRICT B.O.D. adopts the amended biennial reappraisal plan.

RESOLVED FURTHER, that the CHIEF APPRAISER of the DISTRICT is authorized and directed to deliver copies of the approved amended biennial reappraisal plan in compliance with the remainder of Section 6.05(i) to the presiding officer of the governing body of each taxing unit participating in the DISTRICT and to the state comptroller of public accounts within 60 days of the approval date.

READ, PASSED AND APPROVED THIS THE 31st day of January, 2017.

By: 
Bo Mansfield, Chairman

ATTEST:


Gary C. Johnston, Secretary

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Hugh Landrum & Associates, Inc. 2017 – 2018 Mass Appraisal Methodology Manual & Reappraisal Plan
Eagle Property Tax Appraisal & Consulting, INC. 2017-2018 Biennial Reappraisal Plan

INTRODUCTION

The Central Appraisal District of Bandera County (BANCAD) has prepared this plan as required under Section 6.05 (i) and Section 25.18 of the Texas Property Tax Code (PTC). This report is designed to provide property owners and taxing entities with a complete understanding of the biennial reappraisal process of the BANCAD.

BANCAD is a political subdivision of the State of Texas, created to appraise all of the taxable property within its jurisdiction at 100% market value. The creation of appraisal districts was passed with the 66th Legislative Session in 1979, approved by the voters in the November 1980 general election. This legislation mandated counties to participate in an appraisal district.

The provisions contained in the Texas Property Tax Code, relative to legal, statutory, and administrative requirements, govern the BANCAD.

BANCAD has a seven member Board of Directors. Six members are elected by the taxing entities it serves. The County Tax Assessor/Collector serves as the seventh, non-voting member. The Board of Directors appoints the Chief Appraiser, whom is the chief administrator and executive officer of the appraisal district and the Appraisal Review Board (ARB).

BANCAD is responsible for conducting the appraisals to be used by the nine taxing entities it serves. The BANCAD budget is funded by these taxing entities. The funding received is calculated and prorated according to the levy recorded. As of June 30, 2016, the District is responsible for appraising 1,448 business personal property accounts and 33,783 real property accounts. Also included in the total property count for the district are 73 mineral/utility properties and 6 auto accounts for a total property count of 35,310.

Except as otherwise outlined in the Texas Property Tax Code, all taxable property is appraised at its “market value” as of January 1st of each year. Market value, as defined by the code, means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- Exposed for sale on the open market with a reasonable period of time for the seller to find a buyer;
- Both the seller and the buyer know of all the property uses and purposes to which the property is adapted and for which it is capable of being used for and of any enforceable restrictions on the use of the property; and
- Both the seller and the buyer seek to maximize their gains and neither is in a position to take advantage of situations of the other.

Section 23.01 of the Texas Property Tax Code, Appraisals Generally (b) states:

“The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the Appraisal District determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice (USPAP). The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. However, each property shall be appraised based upon the individual characteristics that affect the property’s market value.”

The Texas Property Tax Code, under Sec. 25.18, requires each appraisal office to implement a plan to update appraised values for real property at least once every three years. The Appraisal District's current goal is to reappraise one-third of the district every year, and to maintain physical inspections within 5 years. Appraised values district wide are reviewed annually and are subject to change for purposes of equalization and maintaining market value. This, in effect, constitutes a reappraisal each year. Personal property is appraised every year.

Any reference to a specific work plan contained herein is to be considered tentative for the Appraisal District. The work plan assumptions are made with the understanding that there are no natural disasters or new legislative requirements that will require the Appraisal District to reallocate resources necessary to complete the normal work plan to address these possible high needs areas. As well, these work plans are made under the assumption that there will be an ample supply of market data, and/or verifiable market activity in the district for conducting a reappraisal process.

Exceptions and Special Valuation Provisions

Section 23 of the Texas Property Tax Code defines special appraisal provisions for valuation of residential homestead properties (Sec. 23.23), which is referred to as the residential homestead cap. Section 23 also addresses special appraisal provisions for productivity (Sec. 23.41, 23.51), real property inventory (Sec. 23.12), and dealer inventory (Sec. 23.121, 23.124, 23.1241 and 23.127), nominal (Sec. 23.18), restricted use properties (Sec. 23.83), and allocation of interstate property (Sec.23.03). The owners of inventory may elect to have the inventory appraised at its market value as of September 1st of the year proceeding the tax year to which the appraisal applies by making an application with the Chief Appraiser.

Agricultural Valuation Process

The Texas Constitution (Art. VIII, Sec. 1-d-1) provides for the special valuation of "open space land devoted to farm or ranch purposes." In other words, undeveloped non-agricultural land does not qualify.

This is a special valuation for land that is devoted to agricultural production. In 1991, legislation was passed which allowed productivity appraisal for land used to manage indigenous wildlife. Agricultural or productivity value is based on the land's capacity to produce crops or livestock instead of its value on the real estate market. Although this lower value reduces the taxes on the property, a "rollback" of these taxes takes place when the land stops being used for an agricultural purpose. The rollback recaptures with interest, the taxes saved for the five (5) years preceding the change in use.

Approach to Qualifications and Values

BANCAD has an active Agricultural Appraisal Advisory Board, as required by Section 6.12 of the Texas Property Tax Code. BANCAD's Agricultural Intensity Standards, adopted in 2004, are reviewed annually by the Board and are revised as needed. The current Standards were revised in April 2016. These standards are used along with the Appraisal District's Agricultural Appraisal Manual, information from the Property Tax Division's Manual for the Appraisal of Agricultural Land, and the Tax Code to determine qualification for the various agricultural and wildlife management activities present in Bandera County. BANCAD has implemented the standard Cash Lease Method to determine the net to land estimates for 2016 1-d-1 productivity values by land class. Only typical cash lease information is used to determine these estimates. Cash lease information is collected yearly from property owners and during Agricultural Appraisal Advisory Board meetings.

Wildlife Management

Section 23.51(2) of the Property Tax Code includes land used for wildlife management as an agricultural use. Property owners are required to produce a management plan consistent with the Texas Parks and Wildlife management guidelines produced for the Edwards Plateau Ecological Region.

1-d-1 Field Review

All applications for agricultural valuation automatically generate a field review and are inspected by the Agricultural Appraiser. Properties are inspected for minimum requirement to validate the agricultural valuation as defined in the Appraisal District's Agricultural Appraisal Manual and Intensity Standards. Additional field reviews are done on a three year rotation basis.

Performance Tests

The primary tool used to measure mass appraisal performance is the ratio study. The Appraisal District has adopted the applicable policies of the IAAO STANDARD ON RATIO STUDIES. A ratio study compares appraised values to market values. In a ratio study, market values (values in exchange) are typically represented by sales prices (i.e. a ratio study). Independent, expert appraisals may also be used to represent market values in a ratio study (i.e. an appraisal ratio study). Ratio studies generally have six basic steps: (1) determination of the purpose and objectives, (2) data collection and preparation, (3) comparing appraisal and market data, (4) stratification, (5) statistical analysis, and (6) evaluation and application of the results. If there are not enough sales to provide necessary representativeness, independent appraisals may be used as indicators for the market.

Sales Ratio Studies

Sales ratio studies are an integral part of establishing equitable and accurate market value estimates, and ultimately for taxing jurisdictions. The primary uses of sale ratio studies include the determination of a need for general reappraisal; prioritizing selected groups of property types for reappraisal; identification of potential problems with appraisal procedures; assist in market analyses; and to calibrate models used to derive appraised values during valuation or reappraisal cycles. However, these studies cannot be used to judge the accuracy of an individual property appraised value. The Bandera County Appraisal Review Board may make individual value adjustments based on unequal appraisal (ratio) protest evidence submitted on a case-by-case basis during the hearing process.

Overall sales ratios are generated by use type annually to allow appraisers to review general market trends in their area of responsibility. The appraisers utilize desktop applications such as MS EXCEL programs to evaluate subsets of data by economic area or a specific and unique data item. On the desktop, this may be customized and performed by building class and age bias. In many cases, field checks may be conducted to insure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics. These ratio studies aid the appraisers by providing an indication of market activity by economic area or changing market conditions (appreciation or depreciation).

Comparative Appraisal Analysis

The appraiser performs an average unit value comparison in addition to a traditional ratio study. These studies are performed on commercially classed properties by property use type (such as apartment, office, retail and warehouse usage or special use). The objective to this evaluation is to determine appraisal performance of sold and unsold properties. Appraisers' average unit prices of sales and average unit appraised values of the same parcels and the comparison of average value changes of sold and unsold

properties. These studies are conducted on substrata such as building class and on properties located within various economic areas. In this way, overall appraisal performance is evaluated geographically, by specific property type to discern whether sold parcels have been selectively appraised. When sold parcels and unsold parcels are appraised equally, the average unit values are similar. These horizontal equity studies are performed prior to annual noticing.

Independent Performance Test

According to Chapter 5 of the Texas Property Tax Code and Section 403.302 of the Texas Government Code, the State Comptroller's Property Tax Assistance Division (PTAD) conducts a biennial Property Value Study (PVS) of each Texas school district and each Appraisal District. As a part of this biennial study, the code also requires the Comptroller to: use sales and recognized auditing and sampling techniques; review each Appraisal District's appraisal methods, standards and procedures to determine whether the Appraisal District used recognized standards and practices (MAP review); test the validity of school district taxable values in each Appraisal District and presume the appraisal roll values are correct when values are valid; and, determine the level and uniformity of property tax appraisal in each appraisal district.

The methodology used in the Property Value Study includes stratified samples to improve sample representativeness and techniques or procedures of measuring uniformity. This study utilizes statistical analysis of sold properties (sale ratio studies) and appraisals of unsold properties (appraisal ratio studies) as a basis for assessment ratio reporting. For Appraisal Districts, the reported measures include median level of appraisal, coefficient of dispersion (COD), the percentage of properties within 10% of the median, the percentage of properties within 25% of the median, and price-related differential (PRD) for properties overall and by state category (i.e., categories A, B, C, D and F1 are directly applicable to real property).

There are four independent school districts in Bandera CAD for which appraisal rolls are annually developed. The preliminary results of this study are released in January in the year following the year of appraisal. The final results of their study are certified to the Education Commissioner of the Texas Education Agency (TEA) in the following July of each year for the year of appraisal. This outside (third party) ratio study provides additional assistance to the CAD in determining areas of market activity or changing market conditions.

EXECUTIVE SUMMARY

Tax Code Requirement

The written biennial reappraisal plan is required by Texas Property Tax Code Section 6.05 (i) and it reads as follows:

- (i) To ensure adherence with generally accepted appraisal practices, the Board of Directors of an Appraisal District shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of the hearing. Not later than September 15 of each even numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date.

The plan for periodic reappraisal is outlined in the Texas Property Tax Code Section 25.18 (a) and (b), and reads as follows:

- (a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(i).
- (b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years:
 - (1) Identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;
 - (2) Identifying and updating relevant characteristics of each property in the appraisal records;
 - (3) Defining market areas in the district;
 - (4) Identifying property characteristics that affect property value in each market area, including:
 - (A) The location and market area of the property;
 - (B) Physical attributes of each property, such as size, age, and condition;
 - (C) Legal and economic attributes; and
 - (D) Easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions;

- (5) Developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
- (6) Applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
- (7) Reviewing the appraisal results to determine value.

I.) Identifying properties to be reappraised for the purpose of updating relevant characteristics - Sec. 25.18(b) (1):

A. Residential Property

The Appraisal District employs several methods of identifying properties that require inspection for the purpose of listing and appraising new improvements and updating relevant property characteristics. The primary sources of information used to identify those properties are building permits issued by the City of Bandera, electrical connection requests through the Bandera Electric Cooperative and well/septic permits issued by Bandera County. Copies of these permits are collected monthly and then matched with the corresponding Appraisal District account. Other sources of identifying properties that are in need of re-inspection are renditions, mechanics liens, deeds of trust, plats, information included in sales listings (MLS), realtor reports, fee appraisals, mobile home movement records (TDHCA), reports of recently assigned 911 addresses, and in some cases, property owners and community members who are familiar with the property.

In addition, a GIS system equipped with aerial photography encompassing all properties within the district is used as a tool in identifying improvements that are not currently accounted for in the appraisals of properties.

Once a property is identified as requiring a re-inspection, the information is matched with the relevant property account within the Appraisal Districts electronic records and the account is “flagged” for re-inspection. These flagged properties are grouped and assigned to an appraiser for inspection. Inspection may be done by printing appraisal cards or by using electronic field devices.

Finally, at the end of the re-inspection or “recheck” process, the field appraisal staff will conduct an annual “sweep” of their assigned areas. A “sweep” is a visual inspection of an area for the purpose of identifying new improvements or other significant changes that were not identified through the normal discovery methods/sources outlined above.

B. Rural, Residential and Commercial Land

Physical characteristics that influence land value include size, shape, soil type and topographic features (including floodplain). Resources such as aerial photography, ownership maps, subdivision plats, surveys, NRCS soils maps, USGS topographic maps, and FEMA flood maps are referenced to obtain or verify information relating to these characteristics for specific properties.

Other conditions that influence value include location, access, frontage, and legal limitations such as zoning and easements. The resources listed above, along with street maps, zoning maps and

ordinances, utility maps, deeds and other legal filings are used to identify and verify these conditions. In the appraisal process, appraisers, through sales analysis determine proper adjustments for the presence of such characteristics and conditions. The mapping resources discussed are integrated in the CAD's Geographic Information System (GIS).

C. Business Personal Property (BPP)

Identification of new BPP properties is accomplished in part by annual renditions, commercial building permits, DBA filings with the county clerk's office, commercial vehicle listings supplied through a third party vendor, sales tax permit reports from the Texas Comptroller, local hotel/motel occupancy tax reports, and monthly and annual vehicle declarations submitted by local dealers.

Field staff inspect assigned areas to identify new businesses or changes in the size and scope of existing businesses. Appraisal District personnel review local publications for advertisements and notices of grand openings or closures. Businesses listed in the local phone book/yellow pages are checked against the current roll.

Which businesses or specific types of businesses that will be designated for inspection will be set out during development of the annual work plan for each year and will be determined using information obtained in the discovery process.

D. Industrial, Utility, and Mineral Property (real and personal property)

The Industrial, Utility and Mineral appraisal firm contracted by BANCAD is responsible for identifying property and updating information relating to existing accounts. Resources available for this process include those employed by Appraisal District personnel and as discussed in sections A-C. Additional resources include information and reports provided by various State and Federal regulatory agencies such as the Texas Railroad Commission, Texas Public Utility Commission and the Federal Communications Commission.

II.) Identifying and Updating Relevant Characteristics - Sec. 25.18(b) (2):

A. Residential Property

Identifying and updating relevant characteristics of a property will be accomplished primarily through a physical inspection of the property. The inspecting appraiser will visit the property to collect relevant data about the property such as measurements of structures, construction type, quality of construction, completion of construction and physical deterioration, among other characteristics. The collection and recording of this data is done using standardized procedures outlined in BANCAD field appraisal manuals. The collected data is gathered by the inspecting appraiser, noted on field inspection sheets, or by using electronic field devices. This information is then entered or downloaded into the CAMA system.

B. Rural, Commercial & Platted Residential Land

Identification of specific characteristics will be done through review of relevant documents (see Section I) or through field inspections. Updating this information is done using standardized procedures outlined in BANCAD appraisal manuals. The reviewing appraiser will document

necessary information and either update, or submit the changes to data entry personnel to update the electronic record of the subject property.

C. Business Personal Property

Identifying and updating relevant characteristics of the subject property is accomplished through the discovery (see Section I) and inspection processes. Information the appraiser must identify and verify include: the type of property; the category (i.e. inventory, furniture, fixtures, machinery or equipment); quality; density; original costs; year acquired; age; condition; and life expectancy. The appraiser identifies any property located at the business that does not belong to the business owner. If this property is taxable (reference sec. 11.01 & 11.14 PTC) the appraiser collects the pertinent information noted above, including the name and address of the owner of the property. The collection and recording of this data is done using standardized procedures outlined in BANCAD's Business Personal Property Manual.

D. Industrial, Utility, and Mineral Property (real and personal property)

The Industrial, Utility and Mineral appraisal firm contracted by BANCAD is responsible for updating and identifying relevant characteristics for this property type. Identifying and updating relevant characteristics of the subject property is accomplished through the discovery (see Section I) and inspection processes. After the discovery, field and appraisal work is completed; the firm then manually enters the data into BANCAD's PACS database following procedures outlined in PACS and BANCAD manuals. Appraisal District personnel also randomly verify the contracted appraisal firm's work to verify accuracy as outlined in the utility contract.

III.) Defining market areas in the District - Sec. 25.18(b) (3):

A. Pursuant to Sec. 25.18 of the Property Tax Code, the Appraisal District has established a reappraisal plan to provide for the reappraisal of all properties within the district at least once every three years (for more specific instruction, see Work Plan). These proposed reappraisals are subject to market conditions and unforeseen events.

1. Bandera CAD is divided into three areas. Each year, all real, residential and commercial property within one of these areas is to be reappraised, regardless of any ratio study findings. These areas are identified as follows:
 - a. Year One (Yr 1): Estimated Parcel count: 16,600. Northside ISD (overlap) and Bandera ISD. Medina Lake/Highway 16 Commuter area – This is most of the area within Rural Land Area 4 and is comprised of the unincorporated areas of Lakehills and Pipe Creek. It consists of small parcel lakefront lots, larger parcel subdivisions and rural land areas; and a short commuting distance to and from the cities of San Antonio and Boerne. Land values are the highest in the county due to the easy commute distances, its views, and proximity to Medina Lake and the Medina River. This market area has seen a decrease in sales movement due to Medina Lake water levels. As of May 2016, Medina Lake water levels have returned to 100% full. Properties will begin to sell as water levels remain consistent. Property owners who have had properties listed for sale during periods of low lake levels will increase asking prices as properties start selling in this area.
 - b. Year Two (Yr 2): Estimated Parcel count: 8,720. Bandera ISD and County Seat. This is a portion of the Rural Land Areas 3 and 4. It is comprised of the incorporated

City of Bandera. It consists of smaller city lots, rural plateau land, spring fed creeks, and the Medina River. This market area is active with residential properties selling at a steady pace along with larger ranches. Properties selling in this area indicate that properties with water influence sell for a much higher premium than properties which do not have water influence.

c. Year Three (Yr 3): Estimated Parcel count: 6400. Medina ISD and Utopia ISD (overlap). Typical Texas Hill Country – This is a portion of Rural Land Areas 1 and 3. It consists of hill country plateaus and higher elevations. Land in this area sells for less per acre; however, more acres are purchased at one time for a higher overall total. A portion of the unincorporated areas of Medina, Utopia and Tarpley are located in this area, as well as the headwaters of the Medina and Sabinal rivers and numerous spring fed creeks, which contribute to higher sales prices. Improvements are ranch-style older homes intermingled with new ranch-style, large square footage homes. Properties selling in this area are identified as larger ranches all with water influence. Larger ranch sales are taking place in areas which include the Medina River or Sabinal River on the property.

2. In addition to the cycle stated above, ratio studies are performed annually to determine areas or categories of properties within the CAD that need to be reappraised within the current year based on sales ratios. Any area or category whose ratios are below statutory requirements shall be reappraised in the current year, regardless of the area in which they are located.

B. Residential Property

When defining a market area for residential properties, the total boundaries of the Appraisal District can be considered one market. Further analysis will reveal that within the total market, submarkets exist as well. These submarkets can be defined as any group of properties that share common traits such as physical, economic, governmental and social forces, all of which equally and consistently influence the value of each property within a given area. Generally speaking, these submarkets are more easily identified within the more densely populated areas of the district and are often referred to as neighborhoods. Identifying submarkets in the less densely populated areas of the district is not as easily accomplished.

In the more recently developed areas of the district, a neighborhood is defined as the boundary of a developed subdivision. Mass adjustments made to the appraisal of properties within a defined neighborhood are consistently and equally applied to each property within the defined neighborhood.

C. Rural, Commercial & Platted Residential Land

Market areas for land are defined by the highest and best use of the land. IAAO defines highest and best use as the use which will generate the highest net return to the property over a reasonable period of time. Some areas in the district are undergoing a change in the highest and best use of the land, particularly rural land that is in close proximity to the city of Bandera, Medina Lake, or areas within a close commute to San Antonio, Boerne, and Kerrville. In these areas, the highest and best use of land is changing from an agricultural or recreational use to residential and commercial use. The most rural areas of the County that historically have been strictly agricultural use are changing to recreational uses. The presence of “live water” in the form of

rivers and streams has the greatest influence on market value. Appraisers collect and analyze market data to detect changes in highest and best use and to define market areas.

As with residential properties, when defining a market area for rural, commercial, and platted residential lots, the total boundaries of the Appraisal District are normally considered as the larger market area. Again, with further analysis, submarkets will be apparent. Submarkets will be defined as any grouping of properties that have common identified characteristics which consistently influence the value of each property within a given area. Market areas for commercial properties are identified in the more densely populated areas and/or locations usually identified by locations on major thoroughfares which are considered strategic for commerce decisions. Market areas for platted residential land normally take on the boundaries of the platted subdivision. In some instances, similarly situated subdivisions may be used as comparable market areas.

D. Business Personal Property

When defining a market area for business personal property, the boundary of the Appraisal District may be considered one market. When unique situations arise, widening the market area to the regional or state level can be justified. The market for business personal property is determined by the design and use of the property in question, thus the type of business for which the property can be utilized will determine the buyers and sellers of the property.

E. Industrial, Utility, and Mineral Property (real and personal property)

Market areas for utility and pipeline tend to be regional or national in scope. Financial analyst and investor services reports are used to help define market areas.

IV.) Appraisal Model (Sec. 25.18b4):

A. Residential Property

Residential Land

Residential land is appraised as though vacant using the market sales approach as the appraisal model for valuation. The value of the land component of the total property appraisal is estimated based on available market sales for comparable and competing land under similar usage. A comparison and analysis of comparable land sales is conducted based on a comparison of land characteristics found to influence the market value of land located in the area or neighborhood. When necessary, the land appraisal is adjusted for specific factors and conditions that influence the value of the land. These factors include access, view, shape, size, topography, and the propensity to flood. When necessary, abstraction and allocation methods will be used to insure that estimated land values reflect the contributory market value of the land to the overall property value.

Single-Family Residences

Appraisals for single-family residences are derived by using the market sales approach as the model for valuation. The master residential valuation schedule is annually updated by collecting sales of residential properties for the prior 12 months. These confirmed sales are reviewed for validity and any sales that are considered non-market transactions are removed from the study. Examples of non-market transactions are foreclosure sales and transactions between friends and relatives.

All sales that have been evaluated and determined to be indicative of true market value transactions are then grouped according to the quality class that has been assigned to the residence. Once all sales are grouped, a sales ratio study is conducted for each quality group of sales. The sales ratio study is a simple and straightforward exercise in mathematics: the prior year appraisal for each individual property included in the study is divided by the sales price of that property. The result is a ratio expressed as a percentage. If the prior year appraisal is less than the sales price, then the result will be a percentage less than 100%. If the prior year appraisal is greater than the sale price, then the result will be a percentage greater than 100%. The purpose of the sales ratio study is to determine how accurately prior year appraisals reflect market values of the properties within the study.

Once all of the ratios have been determined, an average and median ratio is calculated for each quality class. In addition, a weighted mean is calculated for each quality class as well as for the entire study. The weighted mean for a quality class is calculated by summing the appraisals for each property within each quality class, then summing the sales prices for the same properties and then dividing the first result by the second. The weighted mean for the entire study is calculated by summing the appraisals of all properties (regardless of class), then summing the sales price for all properties and then dividing the first result by the second.

The resulting statistics of average ratio, median ratio, and weighted mean ratios are then used to conclude the amount (on a percentage basis) that the master residential valuation schedule will be adjusted. The primary statistic that is used when arriving at this conclusion is the weighted mean for the entire study. If this weighted mean is less than 100%, then it can be concluded that market values are increasing, therefore, it is necessary to adjust the master residential valuation schedule upward in order to satisfy the statutory obligation to appraise properties at 100% of market value.

If the weighted mean is greater than 100%, then it can be concluded that market values are decreasing and it will be necessary to adjust the master residential valuation schedule downward. The master residential schedule is compared to the national pricing guide Marshall & Swift. BANCAD's pricing schedules must be within 10% of the indicated Marshall & Swift values.

Once the master residential valuation schedule is updated within the appraisal software, appraisals of single-family residences are updated based on the updated residential schedule values. Further appraisal analysis is then performed by neighborhood. This analysis is performed to "fine tune" the appraisals and to determine if properties within certain neighborhoods are selling at a premium or a discount when compared to the market as a whole. Neighborhood analysis is performed by conducting ratio studies within individual, predetermined neighborhoods. The results of the neighborhood ratio studies will aid in determining if the appraisals within the neighborhood need to be adjusted downward or upward. Whichever the conclusion, all appraisals within a neighborhood will receive a "mass adjustment" to increase or decrease the appraisal as deemed necessary from the results of the neighborhood ratio study.

Multi-Family Residential

For multi-family properties such as duplexes, fourplexes, and apartment complexes, the sales comparison approach appraisal model is used to arrive at an estimate of market value. However, when adequate sales are not available to derive reliable appraisals, additional appraisal models will be implemented. Since these types of properties are primarily owned for the purpose of income generation, the net income that a property produces is an indication of its value, therefore, the valuation methods within the income approach to value is often times used to determine the appraisal of the property. Lastly, if adequate sales or income information is not available, the cost approach to value will be implemented to arrive at an indication of property value.

B. Rural, Commercial & Platted Residential Land

According to accepted appraisal theory, only the income and sales comparison model are acceptable in determining market value of land. The cost approach is not appropriate and therefore is never used. The sales comparison approach is the most widely used method in determining market value, thus is the method that will be implemented to derive appraisals of all types of land. In instances where the sales comparison and income approach can be implemented, both methods will be used and the final assigned value will be determined by which value best describes the market value of the land considering the particular characteristics of the subject property.

C. Business Personal Property (non-industrial)

Several methods may be used in appraising market value for business personal property. Generally, the cost approach is used due to the availability of information. Available cost schedules and depreciation schedules will be used when appropriate by district appraisal staff to aid in developing valuations. These schedules are normally in a cost per square foot format, however, some industry schedules are in an alternate per unit format. The replacement cost new less depreciation (R.C.N.L.D.) can be developed from property owners reporting of historical acquisition cost or from a schedule developed by appraisal staff. As well, national valuation guides and actual sales information may be considered in the valuation process. The method used for this type of valuation is often determined by which method considers the most information for the property being appraised.

D. Industrial Property

Among the three approaches to value (cost, income and market), industrial properties are most commonly appraised using replacement/reproduction cost new less depreciation models because of readily available cost information. If sufficient income or market data are available, those appraisal models may also be used.

E. Utility & Pipeline Property

For both types of property, the appraiser must first form an opinion of highest and best use. Among the three approaches to value (cost, income and market), pipeline value is calculated using a replacement/reproduction cost new less depreciation model (RCNLD). In addition to the RCNLD indicator, a unit value model may also be used if appropriate data are available. Utility and railroad property are appraised in a manner similar to pipeline except that the RCNLD model is not used.

F. Industrial Personal Property

Personal property is appraised using replacement/reproduction cost new less depreciation models. Income approach models are used when economic and/or subject property income is available and a market data model is used when appropriate market sales information is available.

G. Oil & Gas Property

Among the three approaches to value (cost, income and market), the income approach to value is most commonly used in the oil and gas industry. Though use of the discounted cash flow technique in particular, the appraiser is able to bring together relevant characteristics of production volume and pattern, product prices, operating expenses, and discount rate to determine an estimate of appraised value of an oil or gas property.

Note: For properties described in D thru G, see Hugh L. Landrum & Associates Inc.'s Reappraisal Plan & Mass Appraisal Methodology Manual.

V.) Review of Appraisal Results - Sec. 25.18(b) (5-7):

A. Residential Property

Statistical Analysis

Appraisal District staff will perform statistical analysis annually to evaluate whether estimated values are equitable and consistent with the market. Sales ratio studies are conducted on each of the defined residential neighborhoods to judge the two primary aspects of mass appraisal accuracy – level and uniformity of value. Appraisal statistics of central tendency generated from sales ratios are evaluated and analyzed for each neighborhood. The level of appraised values is determined by the weighted mean ratio for sales of individual properties within a neighborhood, and a comparison of neighborhood weighted means reflect the general level of appraised value between comparable neighborhoods.

Through the sales ratio analysis process, appraisers will review neighborhoods annually. The first phase involves neighborhood ratio studies that compare the recent sales prices of neighborhood properties to the appraised values of these sold properties. This set of ratio studies affords the appraiser an excellent means of judging the present level of appraised value and uniformity of the sales. The appraiser, based on the sales ratio statistics, makes a preliminary decision as to whether the value level in a neighborhood needs to be updated or whether the level of market value in a neighborhood is at an acceptable level.

Review by Inspecting Appraiser

In addition to the above described process, appraisers will review when time permits, the results of any fieldwork that they had performed to determine if the resulting appraisal accurately describes the value of the property and make any necessary adjustments if deemed necessary.

In cases when multiple appraisal models are implemented, the appraiser considers the results that best address the individual characteristics of the subject property. Once the best result is determined, it is then entered as the appraisal for the given year.

B. Rural, Commercial & Platted Residential Land

The appraiser considers results that best address the individual characteristics of the subject property when multiple appraisal models are used. Also, statistical analysis is performed when changes are made to the rural land schedules, the primary analysis tool being the ratio study.

C. Business Personal Property (non-industrial)

Appraisal District staff will perform analysis annually to determine if the estimated market values are equitable in the district. The Appraisal District staff will annually review SIC codes to determine equitable valuation of business personal property with similar business groupings. District staff will perform an office review, and accounts that fail tolerance parameters (which could include accounts with current rendition filings), accounts with field or data changes, accounts with hearings, new accounts, and cost schedule changes, will be the subject of this review.

D. Industrial Property

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a more experienced appraiser also contributes to the review process.

E. Utility & Pipeline Property

The appraiser considers results that best address the individual characteristics of the subject property when multiple models are used. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a more experienced appraiser also contributes to the review process. These types of property are also subject to review by the Property Tax Division of the Texas Comptroller's office through their annual Property Value Study.

F. Industrial Personal Property

The appraiser reconciles multiple models by considering the model that best addresses the individual characteristics of the subject property. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment among appraisers or the review of appraisals by a more experienced appraiser also contributes to the review process.

G. Oil & Gas Property

Use of the income approach is the first step in determining an estimate of market value. After that, the appraiser reviews the estimated market value compared to its previous certified value and also compares it to industry expected payouts and income indicators. The appraiser examines the model's value with its previous year's actual income, expecting value to typically vary within a range of 2-5 times actual annual income, provided all appropriate income factors have been correctly identified. Finally, periodic reassignment of properties among appraisers and review of appraisals by a more experienced appraiser further expand the review process.

Note: For properties described in D thru G, see Hugh L. Landrum & Associates Inc.'s Reappraisal Plan & Mass Appraisal Methodology Manual.

Limiting Conditions:

The appraised value estimates provided by the District are subject to the following conditions:

- 1.) The appraisals were prepared exclusively for ad valorem tax purposes.
- 2.) The property characteristic data upon which the appraisals have been based is assumed correct. The inspections of property are performed by the staff and are conducted from the exterior as time allows. Interior inspections performed by the staff are conducted upon the request of the property owner and are necessary for clarification and accurate property descriptions.
- 3.) Title and the legal description are assumed to be correct and marketable.
- 4.) Validation of sales transactions has been attempted through field review and confirmations by the buyer and seller. In the absence of such confirmation, residential sales data validated from vendors was reliable.
- 5.) Following is a list of Appraisal District staff and contracted appraisal firms that have provided significant mass appraisal assistance to the person signing this certification.

Central Appraisal District of Bandera County Staff

<i>NAME</i>	<i>POSITION</i>	<i>TYPE OF ASSISTANCE</i>
Wendy M. Grams, RPA/CCA	Chief Appraiser	Valuation Correlation
Cynthia Reinhardt, RPA/CCA	Deputy Chief Appraiser	Appraisal Supervisor / Valuation Correlation
Nelia McNeil, RPA/CCA	Senior Appraiser	Property Data / Valuation Correlation
Melissa Checkovage, RPA	Field Appraiser	Data Collection / Update Property Data
Deanna Billings, III	Agricultural Appraiser	Data Collection / Agricultural Appraiser
Cindy McGinley, III	Field Appraiser	Data Collection / Update Property Data
Wally Fabela, I	Field Appraiser	Data Collection / Update Property Data
Maria Garcia, RPA	Abstracting	Abstracting / Property Data Collection, Update Property Data
David Hall, RPA	GIS Mapping	GIS / Property Data Collection, Update Property Data
Sharon Robinson, III	Administrative Coordinator	Support Staff / Research/ Document Review Exempt Maintenance
Debbie Clark	Administrative Specialist	Support Staff / Research/ Document Review Exempt Maintenance

CONTRACTED APPRAISAL FIRMS PROVIDING MASS APPRAISAL ASSISTANCE

HUGH L. LANDRUM & ASSOCIATES, INC.
1110 NASA PARKWAY, SUITE 400
HOUSTON, TEXAS 77058

EAGLE PROPERTY TAX APPRAISAL & CONSULTING, INC.
PO BOX 833 / 220 S MAIN
JACKSBORO, TEXAS 76458

Staff Education and Training

All personnel that are performing appraisal work are registered with Texas Department of Licensing and Regulation and are required to take appraisal courses to achieve the status of Registered Professional Appraiser within five years of employment as an appraiser. After they are awarded their certificate, appraisers must comply with continuing education rules as set out in the Texas Administrative Code Rule 94.25. Failure to meet these standards may result in progressive disciplinary action as outlined in BANCAD's Personnel Policy Manual and by the Texas Department of Licensing and Regulation.

Resources

Information System

The Bandera Appraisal District houses a secure server containing the appraisal records for the district. Multiple PC's in the appraisal office access this information. The District utilizes Harris Governs True Automation PACS (Property Appraisal and Collection System) software application, which is accessed via True Automation through the Internet for software updates and modifications. This is a shared system with the Bandera County Tax Office. The server is located at the Appraisal District office and accessed by the tax office via wireless connection.

Geographical Information System (GIS)

The District uses a geographic information system (GIS) to maintain cadastral maps and various layers of data, ownership and aerial photography. This includes USDA, NRC soil and FEMA floodplain data.

BANCAD currently maintains its GIS mapping in a geodatabase using ESRI ArcGIS 10.0 software, Manifold 8. This geodatabase incorporates numerous layers (shapefiles) that cover a given map extent (Bandera County). The spatial relationships between these layers are derived through their common geographic location. Defining and describing these real-world locations requires a framework or global coordinate system. A geographic coordinate system is used to assign geographic locations to objects.

The geodatabase is made up of three data types, including classes, raster datasets, and associated attribute tables. Feature classes contain vector based shapefiles (sets of points, lines, and polygons), raster data is made up of 2014 digital orthophotos obtained from Google Earth and 2016 Pictometry as well as associated attribute tables containing descriptive information about the geographic objects (parcels) and features.

There are separate shapefiles for roads, water (rivers, creeks, drainage, etc), topographical lines, school districts, county border, parcel outlines, emergency service areas, abstract lines, address points, and city limits. Each shapefile contains its associated attribute information.

The parcel outlines (shapefiles) contain all ownership information associated with each property. This includes descriptive attributes (Parcel ID, geo reference number, owner name, address, number of acres, and the legal description).

Ownership transfers from the County Courthouse records are delivered on a CD purchased from the Bandera County Clerk and saved on a server for use in the office. The deed clerk reviews the records for all property conveyances and inputs the appropriate information into PACS. Where property splits, joins, or resurveys are involved, the deed clerk uses the online service, Trello, to pass the deed to the mapping

specialist for correction in the GIS system. When the mapping specialist updates the GIS map, the file is closed in Trello.

References

Texas Property Tax Code - <http://comptroller.texas.gov/taxinfo/proptax/96-297-15.pdf>

Appraisal Standards Board – Uniform Standards of Professional Appraisal Practice and Advisory Opinions (USPAP) - <http://uspap.org/>

The International Association of Assessing Officers – Property Appraisal and Assessment Administration (Red Book) - <http://old.iaao.org/>

The International Association of Assessing Officers – Property Assessment Valuation (Green Book) - <http://old.iaao.org/>

Harris Govern - www.harrisgovern.com

Pictometry - www.pictometry.com

Trello - <https://trello.com/home>

Manifold - <http://manifold.net/>

ArcGIS - <http://www.esri.com/software/arcgis/explorer/>

NOTE: *The Reappraisal Work Plan is subject to revision as Comptroller Rules and Legislation updates occur.*

CALENDAR OF EVENTS – 2017 YR2

AUGUST 2016	SEE 2017 WORK PLAN
1-Aug thru 31-Aug	<ul style="list-style-type: none"> • Commence field work relating to reappraisal and inspection of identified properties • Commence reappraisal of portions of rural land and subdivisions • Commence discovery of new improvements • Commence personal property discovery • Commence commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Appraisal Review Board hearings as needed on Tuesdays and Thursdays • EARS submission to PTAD – Electronic Appraisal Roll • EPTS submission to PTAD – Electronic Property Transaction • Public presentations as needed • Budget presentations for Taxing Entities • Certification presentations
1-Aug	<ul style="list-style-type: none"> • Date taxing unit’s assessor submits appraisal roll and date that collector submits collection rate estimate for the current year to the governing body (or soon after) (Sec. 26.04(b)).
7-Aug	<ul style="list-style-type: none"> • Date taxing units (other than school districts, small taxing units and water districts) must publicize effective tax and rollback rates, unencumbered fund balances, debt obligation schedule and other applicable items (or as soon as practical thereafter) (Secs. 26.04, 26.052 and Water Code Secs. 49.107, 49.108). Cities and counties that provide a property tax rate notice under Local Government Code Section 140.010 are exempt from the requirements of Tax Code Sections 26.04(e), 26.052, and 26.06 (Local Gov’t Code Sec. 140.010).
11-Aug	<ul style="list-style-type: none"> • Appraisal Review Board (ARB) meeting second Thursday of the month
14-Aug	<ul style="list-style-type: none"> • Last day for CAD board to pass resolution to change CAD finance method, subject to taxing unit’s unanimous consent (Sec. 6.061(a)). • Last day for CAD board to pass resolution to change number of directors, method for appointing or both, and deliver to each taxing unit (Sec. 6.031(a)).

15-Aug	<ul style="list-style-type: none"> • Board of Director’s meeting third Monday of the month • Adopt Appraisal District Budget • Approve reappraisal plan (6.05i), even number years only • Deadline for Texas Comptroller to certify final PVS findings to Education Commissioner and each school district (Comptroller Rule Sec. 9.4317).
29-Aug	<ul style="list-style-type: none"> • Fourth Quarter Allotment Letter to Taxing Units
31-Aug	<ul style="list-style-type: none"> • Last day for property owner to give correct address to CAD in writing for tax bill; penalties and interest waived if bill not sent to correct address 21 days before delinquency date (Sec. 33.011(b)(1)). • Last day taxing units may file resolutions with the CAD board to oppose proposed change in the CAD finance method (Sec. 6.061(a)). • Last day for taxing unit entitled to vote for appointment of CAD directors to file a resolution opposing a change by the CAD board in selection of directors (Sec. 6.031(a)). • Deadline for an eligible dealer of motor vehicle inventory to file form with chief appraiser and collector to elect not to be treated as a motor vehicle inventory dealer for the next tax year (Sec. 23.121(a)(3)(D)(iii)).

SEPTEMBER 2016

SEE 2017 WORK PLAN

1-Sept thru 30-Sept	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Review Mineral Utility Contract • Review Auditors Contract • Public presentations as needed • Certification presentations • Start producing Annual Report for previous year
1-Sept	<ul style="list-style-type: none"> • Date that taxable value of inventories may be determined at property owner's written option (Sec. 23.12(f)).

8-Sept	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
14-Sept	<ul style="list-style-type: none"> • Last day for CAD board to adopt next year budget unless district has changed its fiscal year (Sec. 6.06(b)). • Last day for CAD board to notify taxing units in writing if a proposal to change a finance method by taxing units' unanimous consent has been rejected (Sec. 6.061(a)). • Last day for CAD board to notify taxing units in writing if a proposal to change number or method of selecting CAD directors is rejected by a voting taxing unit (Sec. 6.031(a)).
15-Sept	<ul style="list-style-type: none"> • Last day to approve Biennial Reappraisal Plan (Sec. 6.05(i)). • Last day to adopt resolution approving CAD Budget (Sec. 6.06).
19-Sept	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Review Board of Director's election process • Award audit contract (two year) even number years only
29-Sept	<ul style="list-style-type: none"> • Last day for taxing units to adopt tax rate for the current year, or before the 60th day after the date the certified appraisal roll is received by a taxing unit, whichever is later. Failure to adopt by these required dates results in a unit adopting the lower of its effective tax rate for this year or last year's tax rate; unit's governing body must ratify new rate within five days of establishing rate (Sec. 26.05).
30-Sept	<ul style="list-style-type: none"> • Last day for taxing units' fourth quarterly payment for CAD budget (Sec. 6.06).

OCTOBER 2016

SEE 2017 WORK PLAN

1-Oct thru 31-Oct	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Chief Appraiser evaluation • Public presentations as needed • Date (1st) tax assessor mails current year tax bills (or soon after)(Sec. 31.01)
1-Oct	<ul style="list-style-type: none"> • Date tax assessor mails current year tax bills (or soon after) (Sec. 31.01). • Publish ARB vacancy notice

13-Oct	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month • 3rd quarter clerical changes
17-Oct	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Chief Appraiser review • 3rd quarter clerical changes
NOVEMBER 2016 SEE 2017 WORK PLAN	
1-Nov thru 30-Nov	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Calculate Allotment amounts • Prepare Allotment letters • Publish Annual Report for previous year • Public presentations as needed
10-Nov	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
21-Nov	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Budget line item transfers • Award Utility/Mineral appraisal contract (two year), odd number years only • Nominate/Consider ARB and Ag Board members • Review and revise Board of Directors Manual • Review and revise Personnel Policy Manual
28-Nov	<ul style="list-style-type: none"> • First Quarter Allotment Letters to Taxing Units
DECEMBER 2016 SEE 2017 WORK PLAN	

1-Dec thru 31-Dec	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Public presentations as needed • Time when chief appraiser may conduct a mail survey to verify homestead exemption eligibility (Sec. 11.47(a)).
8-Dec	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
19 -Dec	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Announce Board of Directors election results • Appoint ARB and AG boards
31-Dec	<ul style="list-style-type: none"> • Last day for taxing units' first quarterly payment for CAD budget (Sec. 6.06). • Last day for taxing units to take official action to tax goods-in-transit for the following tax year (Sec. 11.253).

JANUARY 2017	SEE 2017 WORK PLAN
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1-Jan thru 31-Jan	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Conduct ratio studies on entire market • Update appraisal manuals • Update cost schedules • Mail renditions • Mail Agricultural Use applications to new owners and to owners with questionable
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	<p>eligibility</p> <ul style="list-style-type: none"> • Mail Agriculture surveys • Mail exemption applications • Review Public Funds Investment Plan • Review Strategic Action Plan • Review Disaster Plan • Update all computer security • Public Funds Investment Quarterly Report • Public presentations as needed
1-Jan	<ul style="list-style-type: none"> • Deadline for chief appraisers to notify the Comptroller's office of eligibility to serve as chief appraisers (Sec. 6.05 (c)). • Date that current year taxable values and qualifications for certain exemptions are determined (except for inventories appraised September 1) (Secs. 11.42, 23.01(a), 23.12). • Date that members of county appraisal district (CAD) boards of directors begin two-year terms; half of members begin two-year terms if the CAD has staggered terms (Secs. 6.03(b), 6.034). • Date that half of appraisal review board (ARB) members begin two-year terms (Sec. 6.41(e)). • USPAP Mass Appraisal Report • Complete employee evaluations
2-Jan	<ul style="list-style-type: none"> • Date rendition period begins; continues through April 15 for those property owners not requesting a filing extension (Sec. 22.23(a)).
12-Jan	<ul style="list-style-type: none"> • Appraisal Review Board second Thursday of the month • Oath of Office – new members • Elections of ARB Officers and review of procedures • 4th quarter clerical changes • All required publications in paper • Recommendations of Officers by ARB members for Board of Directors • Review ARB procedures
16-Jan	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Oaths of Office

	<p>practicable) if delivering the form (Sec. 1.085(a)).</p> <ul style="list-style-type: none"> • Electronic Property Transaction Submission (EPTS) due
9-Feb	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
20-Feb	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Review of preliminary PVS results
27-Feb	<ul style="list-style-type: none"> • Second Quarter Allotment Letters to Taxing Units
28-Feb (29 if a leap year)	<ul style="list-style-type: none"> • Last day to request separate appraisal for interest in a cooperative housing corporation (Sec. 23.19(c)).
MARCH 2017	SEE 2017 WORK PLAN
1-Mar thru 31-Mar	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Conduct ratio studies on sub-markets • Determine neighborhood adjustments • Conclude schedule changes • Central Appraisal District Audit • Budget Workshop • Public presentations as needed
9-Mar	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
10-Mar	<ul style="list-style-type: none"> • Deadline to file written appeal of PVS findings with Texas Comptroller (Government Code Sec. 403.303).
20-Mar	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Board action regarding Notices of Appraised Value mail out (Sec. 25.19(e)).
31-Mar	<ul style="list-style-type: none"> • Last day for taxing units' second quarterly payment for CAD budget (Sec. 6.06(e)).

	<ul style="list-style-type: none"> • Last day for cities to report information regarding reinvestment zones and tax increment financing to Texas Comptroller (Sec. 311.019(c)). • Last day for qualified community housing development organizations to file listing of property acquired or sold during past year with the chief appraiser (Sec. 11.182(i)).
APRIL 2017	SEE 2017 WORK PLAN
1-Apr thru 30-Apr	<ul style="list-style-type: none"> • Conclude field work relating to reappraisal and inspection of identified properties • Conclude reappraisal of rural land and subdivisions • Conclude discovery of new improvements • Conclude personal property discovery • Conclude commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Bids for Bank Depository every two years • Publish legal requirements for filing protest (Secs. 41.41. 41.70) • Public Funds Investment Quarterly Report
1-Apr	<ul style="list-style-type: none"> • Last day (or as soon as possible) for the chief appraiser to mail notices of appraised value for single-family residence homestead properties (Sec. 25.19(a)). • Last day for property owners to file exemption application for vehicle used for personal and income-producing activities (Sec. 11.253). • Last day for the chief appraiser to notify the taxing units of the form in which the appraisal roll will be provided to them (Sec. 26.01(a)).
13-Apr	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month • 1st quarter clerical changes
15-Apr	<ul style="list-style-type: none"> • Last day for property owners to file renditions and property information reports unless they request a filing extension in writing (Sec. 22.23(a)).
17-Apr	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • 1st quarter clerical changes • Audit report • Authorize return of fund balance to entities • Proposed Budget to Entities
30-Apr	<ul style="list-style-type: none"> • Last day for property owners to file these applications or reports with the CAD:

	<ul style="list-style-type: none"> • Some exemptions applications (Sec. 11.43(d)); • Notice to chief appraiser that property is no longer entitled to an exemption not requiring annual application (Sec. 11.43(f)); • Applications for allocation under Secs. 21.03, 21.031, 21.05 or 21.055 (Sec. 21.09(b)); • Applications for special appraisal or notices to chief appraiser that property no longer qualifies for 1-d and 1-d-1 agricultural land, timberland, restricted-use timberland, recreational-park-scenic land and public access airport property (Secs. 23.43(b), 23.54(d), 23.75(d), 23.84(b), 23.94(b), 23.9804(e)); • Railroad rolling stock reports (Sec. 24.32(e)); • Requests for separate listings of separately owned land and improvements (Sec. 25.08(c)); • Requests for proportionate taxing of a planned unit development property (Sec. 25.09(b)); • Requests for separate listing of separately-owned standing timber and land (Sec. 25.10(c)); • Requests for separate listing of undivided interest (Sec. 25.11(b)); and • Requests for joint taxation of separately owned mineral interest (Sec. 25.12(b)). • Last day for the chief appraiser to certify estimate of school district’s taxable value for school district to use for publishing notice of budget and proposed tax rate and adopting its budget for a fiscal year that begins July 1. Chief appraiser must also certify estimate of taxable value for county and cities unless the taxing units choose to waive the estimate (Sec. 26.01(e)). • Last day for property owners to file protest with ARB (or by 30th day after notice of appraised value is delivered, whichever is later) in connection with properties that are single-family residence homesteads; however, a property owner may file a protest before June 1 if the ARB has not approved the appraisal records (Sec. 41.44(1)). appraisal records (Sec. 41.44).
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MAY 2017	SEE 2017 WORK PLAN
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1-May thru 31-May	<ul style="list-style-type: none"> • Collect, verify and process sales information • Collect, verify and process income and expense information • Continue informal hearing with property owners and agents • Appraisal Review Board hearings as needed on Tuesdays and Thursdays • Update preliminary values on website • Budget presentations for Taxing Entities
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1-May	<ul style="list-style-type: none"> • Last day (or as soon as possible) for the chief appraiser to mail notices of appraised value for properties other than single-family residence homesteads (Sec. 25.19(a)).
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1-May thru 14-May	<ul style="list-style-type: none"> • Period to file resolutions with chief appraiser to change CAD finance method (Sec. 6.061(c)).
11-May	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
1-May thru 15-May	<ul style="list-style-type: none"> • Period when chief appraiser must publish notice about taxpayer protest procedures in a local newspaper with general circulation (Sec. 41.41(b), 41.70(a)).
15-May	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of month • Last day for property owners to file renditions and property information reports if they requested in writing an extension. For good cause, chief appraiser may extend this deadline another 15 days (Sec. 22.23(a)). • Last day (or as soon as possible) for chief appraiser to mail notices of appraised value, denial of exemptions, denial of special appraisal and notices of overlapping appraisal districts (Secs. 11.45, 23.57, 23.79, 23.85, 23.95, 23.9805, 25.19). • Date (or as soon as practicable) for chief appraiser to prepare appraisal records and submit to ARB (Secs. 25.01(a), 25.22(a)).
19-May	<ul style="list-style-type: none"> • Last day for chief appraiser to determine whether a sufficient number of eligible taxing units filed resolutions to change CAD's finance method (Sec. 6.061(d)).
24-May	<ul style="list-style-type: none"> • Last day for chief appraiser to notify taxing units of change in the CAD's finance method (Sec. 6.061(d)).
29-May	<ul style="list-style-type: none"> • Third Quarter Allotment Letters to Taxing Units
31-May	<ul style="list-style-type: none"> • Last day for property owners to file protests with ARB (or by 30th day after the date the notice of appraised value is delivered, whichever is later) in connection with a property that is not a single-family residence homestead (Sec. 41.44(a)(2)). • Last day for taxing units to file challenges with ARB (or within 15 days after ARB receives appraisal records, whichever is later)(Sec. 41.04). • Last day for religious organizations to amend charters and file new applications for Sec. 11.20 exemption (or within 60 days of exemptions denial, whichever is later) (Sec. 11.421(a)(1)(A)). • Last day for property owner to file a protest with ARB in connection with properties that are single-family residence homesteads if the ARB has not approved the appraisal records; otherwise the deadline to file a protest for single-family residence homesteads is before May 1 or by the 30th day after notice of appraised value is delivered,

	<ul style="list-style-type: none"> • Appraisal Review Board hearings as needed on Tuesdays and Thursdays • Public Funds Investment Quarterly Report • Budget presentations to Taxing Units
1-July	<ul style="list-style-type: none"> • Last day for review and protests of appraisals of railroad rolling stock values (or as soon as practicable); once the appraised value is approved, the chief appraiser certifies to the Comptroller the allocated market value (Secs. 24.35(b), 24.36).
13-July	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month • 2nd quarter clerical changes
17-July	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • 2nd quarter clerical changes
20-July	<ul style="list-style-type: none"> • Date ARB must approve appraisal record, but may not do so if more than 5 percent of total appraised value remains under protest (Sec. 41.12(a,b)).
25-July	<ul style="list-style-type: none"> • Last day for the chief appraiser to certify appraisal roll to each taxing unit (Sec. 26.01(a)). • Last day for Texas Comptroller to certify apportionment of railroad rolling stock value to counties, with supplemental records after that date (Sec. 24.38, 24.40).

**BANDERA CAD
2017 WORK PLAN OUTLINE
YR2**

I. Rechecks

Source: Building permits, septic permits, filings, and individually flagged accounts (including sales verification). Rechecks may also include properties identified by Pictometry Change Finder.

Estimated count usually runs between 1200 to 2500 total

Personnel: Utopia/Medina, Ag/Field Appraiser
BISD/Pipe Creek West, Field Appraiser
BISD/Pipe Creek East, Field Appraiser
BISD/City, All Field Appraisers
Time frame: August 15, 2016 thru March 30, 2017

II. Special Projects

- 1) Correct PTAD Coding in YR 1 and YR2
- 2) Link Multiple Properties
- 3) Subset Code Properties in YR2
- 4) Identify and Review Land Adjustments
- 5) Review ARB Determinations

III. Personal Property

- 1) Discovery – Comptroller’s Sales Tax List, DBA’S, advertisements, Chamber of Commerce, websites

Personnel: Personal Property Appraiser
Time frame: August 1, 2016 thru April 30, 2017

- 2) Rendition Process (mail out and log in)

Personnel: Chief Appraiser
Personal Property Appraiser
Support Staff

- 3) Working Renditions

Personnel: Personal Property Appraiser
Time frame: January 1, 2017 thru May 30, 2017

IV. Review Land Values

- 1) Inspect all Rural Land within Reappraisal Year 2.

Personnel: All Field Appraisers
Time Frame: August 15, 2016 thru March 30, 2017

- 2) Perform ratio studies on rural land by size and location
Update RL schedules as indicated
Identify and address any equity issues found

Personnel: Chief Appraiser
Deputy Chief Appraiser
Time frame: March 1, 2017 thru April 1, 2017

V. Update Residential Schedules

- 1) Perform ratio studies on residential properties by class
- 2) Review and revise schedules as indicated

Personnel: Chief Appraiser
Time frame: February 1, 2017 thru March 30 2017

VI. Update Subdivision Schedules

(See 2017 subdivision reappraisal list)

- 1) Develop neighborhood coding for subdivisions with like/similar properties in reappraisal area which are not currently coded.
- 2) Perform ratio studies on all subdivisions; field inspect to confirm characteristic data; correct/ adjust land and improvement schedules as indicated. Correct neighborhood adjustments as indicated.

Personnel: Field Review: All Field Appraisers
Senior Appraiser
Deputy Chief Appraiser
Time frame: August 15, 2016 thru March 1, 2017

Office Review: Chief Appraiser
Deputy Chief Appraiser
Time frame: February 1, 2017 thru March 30, 2017

VII. Medina Lake

- 1) Review neighborhoods: Pebble Beach/Jones Beach WF (PB/JBWF), Water Front East (WFEAST), Water Front West (WFWEST), Wharton's Dock River Front (WHDOCKWF) for indicated adjustments.
- 2) Continue project of calculating front footage of waterfront properties and placing in calculation in CAMA System for future use.
- 3) Update land schedules as indicated. Adjust neighborhood adjustments as indicated.

Personnel: Field Review: All Field Appraisers
Senior Appraiser
Deputy Chief Appraiser

Office Review: Chief Appraiser
Deputy Chief Appraiser

Time frame: August 15, 2016 thru March 15, 2017

VIII. Commercial Properties

- 1) Field inspect all commercial properties, verifying accuracy of all existing data
- 2) Review commercial schedules, adjust as indicated
- 3) Continue to develop neighborhood coding for similar and like commercial properties

Personnel: Field Review: Deputy Chief Appraiser
Senior Appraiser
All Field Appraisers

Office Review: Chief Appraiser
Deputy Chief Appraiser

Time frame: October 1, 2016 thru March 15, 2017

IX. Ag/Wildlife Application Process (including mail out)

- 1) Send applications and surveys to new owners
- 2) Send application to owners with questionable qualification
- 3) Send Ag Survey to 1-d-1 property owners in Reappraisal Year 2
- 4) Field inspection properties for which there is an application filed
- 5) Determine qualification and valuation

Personnel: Field Review: Ag Appraiser

Office Review: Deputy Chief Appraiser
Ag Appraiser
Support Staff

Time frame: January 1, 2017 thru May 15, 2017

X. HWY 46 and HWY 16 SOUTH

- 1) Request and review information from County Engineer regarding requirements for development on HWY 46 to Bandera/Kendall County line AND HWY 16 South to Bandera/Medina County line.
- 2) Identify properties fronting both Hwy 46 and Hwy 16 S, segment out acreage fronting highways and place identifier on property in CAMA system for future use.
- 3) Review land values and adjust land schedules as needed

Personnel: Chief Appraiser
Deputy Chief Appraiser
GIS Appraiser

Time frame: September 1, 2016 thru March 30, 2017

XII. Carry-over from 2016

- 1) Any items not completed from the 2016 work plan will carry forward to the 2017 work plan.

BANDERA COUNTY YR2 SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
12555	17NSUBS	FLMWOOD ESTATES		B	YR2	RL3						
13300	17NSUBS	HAPPY HOLLOW		B	YR2	RL3						
13700	17NSUBS	HORSEMAN SUBDIVISION		B	YR2	RL3						
17000	3MTR	THREE MOUNTAIN RANCH		B	YR2	RL4						
10500	BANDERAEST	BANDERA ESTATES		B	YR2	BE						
15260	BANDERAEST	MERIT PLACE		B	YR2	BE						
16100	BANDERAEST	RIDGE VIEW HEIGHTS		B	YR2	BE/RL3	X					
16800	BANDERAEST	SUNSET HILLS		B	YR2	BE						
17500	BANDERAEST	WILDWOOD SUBDIVISION		B	YR2	BE						
11400	BANPASS	BANDERA PASS		B	YR2	BP						
18600	BEARSPGSTR	BEAR SPRINGS TRAILS		B	YR2	BST						
11800	BEARSPRINGS	BEAR SPRINGS		B	YR2	RL4	X					
11502	BRA E&W	BANDERA RANCH ACRES		B	YR2	BRAE	X					
10400	BTCOMM	BANDERA CITY	C / F	B	YR2	BT						
12000	BTCOMM	COTTINGHAM		B	YR2	BTC						
10400	BTCOMM	BANDERA CITY	C / F	B	YR2	BT						
10400	BTRES	BANDERA CITY	A / C	B	YR2	BT						
11900	CLR	CASTLE LAKE RANCH		B	YR2	RL4						
14100	DFW/W/KER	KERR SUBDIVISION		B	YR2	RL4						
12800	FLYINGL	FLYING L RANCH	A / C	B	YR2	FL	X					
13000	FRS1	FREEDOM SPRINGS RANCH		B	YR2	FRSP	X					
12240	FS/DC/DJ	DEER CREEK		B	YR2	RL4						
12300	FS/DC/DJ	DIAMOND J RANCH		B	YR2	RL4						
13000	FS/DC/DJ	FREEDOM SPRINGS RANCH		B	YR2	RL4	X					
12900	FS/DC/DJ	FREEDOM SPRINGS SUBDIV		B	YR2	RLAW	X					

BANDERA COUNTY YR2 SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
21000	HILLSORBAN	HILLS OF BANDERA RANCH		B	YR2	HOB						
13400	HILNDWTRS	HIGHLAND WATERS		B	YR2	HIW	X					
13650	HONDOOAKS	HONDO OAKS		B	YR2	HOK						
11875	INDWT/BCV	BUCK CREEK		B	YR2	BCV						
13800	INDWT/BCV	INDIAN WATERS		B	YR2	INWA						
20001	LATIGO	LATIGO RANCH I	A/C	B	YR2	LAT1						
14300	LCYPARK	LACEY PARK		B	YR2	RL3	X					
14900	LOSTVALLEY	LOST VALLEY RESORT		B	YR2	RL3						
14800	LOSTVALLEY	LOST VALLEY SUBDIV		B	YR2	RL3						
14700	LOSTVLYHL	LOST VALLEY HILLS		B	YR2	L VH	X					
13900	MC/JE	JOINER ESTATES		B	YR2	RL3	X					
15100	MC/JE	MASON CREEK	A/E	B	YR2	RL3						
18700	MC/JE	MASON CREEK VISTA	A/E	B	YR2	RL3						
23001	PRIVEGEST	PRIVILEGE ESTATES I		B	YR2	PRIVEST	X					
15475	RBPARISEST	PARIS ESTATES		B	YR2	RBE						
16350	RBPARISEST	RIVER BEND ESTATES		B	YR2	RBEINT	X					
13820	RIDGERTF	ENGLISH HOLLOW		B	YR2	EH						
12590	RIDGERTF	EXOTIC ACRES		B	YR2	EX1						
12850	RIDGERTF	FLYING T RANCH		B	YR2	RL3						
15300	RIDGERTF	MONTAGUE RANCH ESTATES		B	YR2	MRE						
16610	SANJULESTS	SAN JULIAN ESTATES		B	YR2	SJ	X					
16750	STARCNTSUB	STAR COUNTRY		B	YR2	SC						
17101	TWNI KS	TWIN LAKES		B	YR2	TL	X					
10700		BANDERA HILLS		B	YR2	RL3						
11600		BANDERA RIDGE		B	YR2	BRDG						
22000		BANDERA SKILLED NURSING CTR		B	YR2	H17351A						
12580		ESTRELLITA		B	YR2	ESTRLA						

BANDERA COUNTY YR2 SUBDIVISION LISTING

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12700		FIELDERS FOLLY		B	YR2	RL3						
13500		HILLTOP COURTS		B	YR2	HILLTP						
14200		KRUCKEMEYER		B	YR2	KRCKMYR						
15050		MADRONA RIDGE		B	YR2	MRIDGE						
16600		MIKE ROBINSON ADDITION		B	YR2	RL3						
16500		RIVER FOREST		B	YR2	BSTR						
16705		STAACKER RANCH		B	YR2	RL4						
16900		THETFORD		B	YR2	THFRD						
Unplatted		EVANS LANE		B	YR2							
Unplatted		BEAR CREEK ROAD		B	YR2	RL4	X					
Unplatted		BOTTLE SPRINGS		B	YR2	RL3	X					
Unplatted		DIXIE DUDE		B	YR2	RL3	X					
Unplatted		FILM PASS ROAD		B	YR2	RL3	X					
Unplatted		HIELCO		B	YR2	RL3	X					
Unplatted		MADRONA		B	YR2	RL4	X					
Unplatted		OLD HONDO		B	YR2	RL3	X					
Unplatted		PRIVILEGE CREEK		B	YR2	RL4	X					
Unplatted		RATCLIFF ROAD		B	YR2	RL3	X					
Unplatted	WISPWINDS	WHISPERING WINDS	A/C/E	B	YR2	RL3R	X					

BANDERA COUNTY YR2 SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
ABSTS	SUBSET RL1	RURAL LAND 1	D/E	U	YR3	RL1						
ABSTS	SUBSET RL1W	RURAL LAND 1 WATER	D/E	U	YR3	RL1W						
ABSTS	SUBSET RL1R	RURAL LAND 1 RIVER	D/E	U	YR3	RL1R						
ABSTS	SUBSET RL3	RURAL LAND 3	D/E	M/B	YR2 /3	RL3						
ABSTS	SUBSET RL3W	RURAL LAND 3 WATER	D/E	M/B	YR2 /3	RL3W						
ABSTS	SUBSET RL3R	RURAL LAND 3 RIVER	D/E	M/B	YR2 /3	RL3R						
ABSTS	SUBSET RL4	RURAL LAND 4	D/E	B	YR1 /2	RL4						
ABSTS	SUBSET RL4W	RURAL LAND 4 WATER	D/E	B	YR1 /2	RL4W						
ABSTS	SUBSET RL4R	RURAL LAND 4 RIVER	D/E	B	YR1 /2	RL4R						
ABSTS	SUBSET RL4W	RURAL LAND 4 LAKE	D/E	B	YR1 /2	RL4L						
10400	BTCOMM	BANDERA CITY	C /F	B	YR2	BT						
10400	BTCOMM	BANDERA CITY	C /F	B	YR2	BT						
10400	BTRES	BANDERA CITY	A /C	B	YR2	BT						
11701	BANRVRNCH	BANDERA RIVER RANCH	A /C	B	YR1	BRVRNCH						
19001	BRIDGT	BRIDLEGATE 1-2-3-4-5A-5B	A /C	B	YR1	BG	X					
	BRIDGTRF	BRIDLEGATE RIVER FRONT 1-2-3-4-5A-5B	A /C	B	YR1	BG1R	X					
12800	FLYINGL	FLYING L RANCH	A /C	B	YR2	FL	X					

BANDERA COUNTY YR2 SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
MEDINA LAKE NEIGHBORHOODS FOR WATERFRONT ADJUSTMENTS												
	PB/BWF	PEBBLE BEACH/JONES BEACH WATER FRONT	A / C	B	ALL YEARS	WF						
	WF EAST	SCENIC HARBOR TO BREEZY POINT	A / C	B	ALL YEARS	WF						
	WF WEST	REDUS COVE TO WHARTON'S DOCK	A / C	B	ALL YEARS	WF						
	WHDOCKWF	WHARTONS DOCK WATERFRONT	A / C	B	ALL YEARS	WF						

CALENDAR OF EVENTS – 2018 YR3

AUGUST 2017	SEE 2018 WORK PLAN
1-Aug thru 31-Aug	<ul style="list-style-type: none"> • Commence field work relating to reappraisal and inspection of identified properties • Commence reappraisal of portions of rural land and subdivisions • Commence discovery of new improvements • Commence personal property discovery • Commence commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Appraisal Review Board meeting as needed on Tuesdays and Thursdays • EARS submission to PTAD – Electronic Appraisal Roll • EPTS submission to PTAD – Electronic Property Transaction • Public presentations as needed • Budget presentations for Taxing Entities • Certification presentations
1-Aug	<ul style="list-style-type: none"> • Date taxing unit’s assessor submits appraisal roll and date that collector submits collection rate estimate for the current year to the governing body (or soon after) (Sec. 26.04(b)).
7-Aug	<ul style="list-style-type: none"> • Date taxing units (other than school districts, small taxing units and water districts) must publicize effective tax and rollback rates, unencumbered fund balances, debt obligation schedule and other applicable items (or as soon as practical thereafter) (Secs. 26.04, 26.052 and Water Code Secs. 49.107, 49.108). Cities and counties that provide a property tax rate notice under Local Government Code Section 140.010 are exempt from the requirements of Tax Code Sections 26.04(e), 26.052, and 26.06 (Local Gov’t Code Sec. 140.010).
10-Aug	<ul style="list-style-type: none"> • Appraisal Review Board (ARB) meeting second Thursday of month
14-Aug	<ul style="list-style-type: none"> • Last day for CAD board to pass resolution to change CAD finance method, subject to taxing unit’s unanimous consent (Sec. 6.061(a)). • Last day for CAD board to pass resolution to change number of directors, method for appointing both, and deliver to each taxing unit (Sec. 6.031(a)).
15-Aug	<ul style="list-style-type: none"> • Deadline for Texas Comptroller to certify final PVS findings to Education

	Commissioner and each school district (Comptroller Rule Sec. 9.4317).
21-Aug	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Adopt Appraisal District budget • Approve reappraisal plan (Sec. 6.05i), even number years only
28-Aug	<ul style="list-style-type: none"> • Fourth Quarter Allotment Letters to Taxing Units
31-Aug	<ul style="list-style-type: none"> • Last day for property owner to give correct address to CAD in writing for tax bill; penalties and interest waived if bill not sent to correct address 21 days before delinquency date (Sec. 33.011(b)(1)). • Last day taxing units may file resolutions with the CAD board to oppose proposed change in the CAD finance method (Sec. 6.061(a)). • Last day for taxing unit entitled to vote for appointment of CAD directors to file a resolution opposing a change by the CAD board in selection of directors (Sec. 6.031(a)). • Deadline for an eligible dealer of motor vehicle inventory to file form with chief appraiser and collector to elect not to be treated as a motor vehicle inventory dealer for the next tax year (Sec. 23.121(a)(3)(D)(iii)).
SEPTEMBER 2017 SEE 2018 WORK PLAN	
1-Sept thru 30-Sept	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Review Mineral Utility Contract • Review Auditors Contract • Public presentations as needed • Certification presentations • Start producing Annual Report for previous year
1-Sept	<ul style="list-style-type: none"> • Date that taxable value of inventories may be determined at property owner's written option (Sec. 23.12(f)).
14-Sept	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month

	<ul style="list-style-type: none"> • Last day for CAD board to adopt next year budget unless district has changed its fiscal year (Sec. 6.06(b)). • Last day for CAD board to notify taxing units in writing if a proposal to change a finance method by taxing units' unanimous consent has been rejected (Sec. 6.061(a)). • Last day for CAD board to notify taxing units in writing if a proposal to change number or method of selecting CAD directors is rejected by a voting taxing unit (Sec. 6.031(a)).
15-Sept	<ul style="list-style-type: none"> • Last day to approve Biennial Reappraisal Plan (Sec. 605(i)). • Last day to adopt resolution approving CAD Budget (Sec. 6.06).
18-Sept	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Review Board of Director's election process • Award audit contract (two year) even number years only
29-Sept	<ul style="list-style-type: none"> • Last day for taxing units to adopt tax rate for the current year, or before the 60th day after the date the certified appraisal roll is received by a taxing unit, whichever is later. Failure to adopt by these required dates results in a unit adopting the lower of its effective tax rate for this year or last year's tax rate; unit's governing body must ratify new rate within five days of establishing rate (Sec. 26.05).
30-Sept	<ul style="list-style-type: none"> • Last day for taxing units' fourth quarterly payment for CAD budget (Sec. 6.06).
OCTOBER 2017 SEE 2018 WORK PLAN	
1-Oct thru 31-Oct	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Chief Appraiser evaluation • Public presentations as needed • Date (1st) tax assessor mails current year tax bills (or soon after)(Sec. 31.01(a)).
1-Oct	<ul style="list-style-type: none"> • Date tax assessor mails current year tax bills (or soon after) (Sec. 31.01(a)). • Publish ARB vacancy notice

12-Oct	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month • 3rd quarter clerical changes
16-Oct	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Chief Appraiser review • 3rd quarter clerical changes
NOVEMBER 2017 SEE 2018 WORK PLAN	
1-Nov thru 30-Nov	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Calculate Allotment amounts • Prepare allotment letters • Publish Annual Report for previous year • Public presentations as needed
9-Nov	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month
20-Nov	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Budget line item transfers • Award Utility/Mineral appraisal contract (two year), odd number years only • Nominate/Consider ARB and Ag Board members • Review and revise Board of Directors Manual • Review and revise Personnel Policy Manual
27-Nov	<ul style="list-style-type: none"> • First Quarter Allotment Letters to Taxing Units
DECEMBER 2017 SEE 2018 WORK PLAN	
1-Dec thru	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties

31-Dec	<ul style="list-style-type: none"> • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Public presentations as needed • Time when chief appraiser may conduct a mail survey to verify homestead exemption eligibility (Sec. 11.47(a)).
14-Dec	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month
18-Dec	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Announce Board of Directors election results • Appoint ARB and Ag Boards
31-Dec	<ul style="list-style-type: none"> • Last day for taxing units' first quarterly payment for CAD budget (Sec. 6.06). • Last day for taxing units to take official action to tax goods-in-transit for the following tax year (Sec. 11.253).
<p>JANUARY 2018 SEE 2018 WORK PLAN</p>	
1-Jan thru 31-Jan	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Conduct ratio studies on entire market • Update appraisal manuals • Update cost schedules • Mail renditions • Mail Agricultural Use applications to new owners and to owners with questionable eligibility • Mail Agriculture surveys • Mail exemption applications

	<ul style="list-style-type: none"> • Review Public Funds Investment Plan • Review Strategic Action Plan • Review Disaster Plan • Update all computer security • Public Funds Investment Quarterly Report • Public presentations as needed
1-Jan	<ul style="list-style-type: none"> • Deadline for chief appraisers to notify the Comptroller's office of eligibility to serve as chief appraisers (Sec. 6.05 (c)). • Date that current year taxable values and qualifications for certain exemptions are determined (except for inventories appraised September 1) (Secs. 11.42, 23.01(a), 23.12). • Date that members of county appraisal district (CAD) boards of directors begin two-year terms; half of members begin two-year terms if the CAD has staggered terms (Secs. 6.03(b), 6.034). • Date that half of appraisal review board (ARB) members begin two-year terms (Sec. 6.41(e)). • USPAP Mass Appraisal Report • Complete employee evaluations
2-Jan	<ul style="list-style-type: none"> • Date rendition period begins; continues through April 15 for those property owners not requesting a filing extension (Sec. 22.23(a)).
11-Jan	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month • Oath of Office – new members • Elections of ARB Officers and review of procedures • 4th quarter clerical changes • All required publications in paper • Recommendations of Officers by ARB members for Board of Directors • Review ARB procedures
15-Jan	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Oaths of Office • Elections of Board Officers

	<ul style="list-style-type: none"> • 4th quarter clerical changes • Legal services contract
31-Jan	<ul style="list-style-type: none"> • Deadline for Texas Comptroller's current year preliminary Property Value Study (PVS) findings to the Texas Education Commissioner and each school district (Government Code Sec. 403.302). • Last day for chief appraiser to deliver applications for agricultural designation and exemptions requiring annual applications (Secs. 11.44, 23.43(e)). • Last day for appraisal district to give public notice of capitalizations used to appraise property with low and moderate-income housing exemption (Sec. 11.1825(r)).
FEBRUARY 2018 SEE 2018 WORK PLAN	
1-Feb thru 28-Feb	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Conduct ratio studies on sub-markets • Send PTAD sales submission • Publish legal requirements for filing rendition statements and availability of forms (Sec. 22.21) • Publish legal requirements for filing annual exemption applications, homestead exemption applications and the availability of forms (Sec. 11.43) • Schedule ARB Training • Public presentations as needed
1-Feb	<ul style="list-style-type: none"> • Normal deadline for 25.25d (one third) and 41.411 (failure to give notice) protests. • Last day for motor vehicle, boat and outboard motors, heavy equipment and manufactured housing dealers to file dealer's inventory declarations (Secs. 23.121, 23.124, 23.1241, 23.127). • Deadline for a chief appraiser to provide notice regarding the availability of agreement forms authorizing electronic communication, on or before this date (or as soon as

	<p>practicable) if delivering the form (Sec. 1.085(a)).</p> <ul style="list-style-type: none"> • Electronic Property Transaction Submission (ETPS) due
8-Feb	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
19-Feb	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Review of preliminary PVS results
26-Feb	<ul style="list-style-type: none"> • Second Quarter Allotment Letters to Taxing Units
28-Feb (29 if a leap year)	<ul style="list-style-type: none"> • Last day to request separate appraisal for interest in a cooperative housing corporation (Sec. 23.19(c)).
MARCH 2018	SEE 2018 WORK PLAN
1-Mar thru 31-Mar	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Conduct ratio studies on sub-markets • Determine neighborhood adjustments • Conclude schedule changes • Central Appraisal District Audit • Budget Workshop • Public presentations as needed
8-Mar	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
10-Mar	<ul style="list-style-type: none"> • Deadline to file written appeal of PVS findings with Texas Comptroller (Government Code Sec. 403.303).
19-Mar	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Board action regarding Notices of Appraised Value mail out (Sec. 25.19 (e)).

31-Mar	<ul style="list-style-type: none"> • Last day for taxing units' second quarterly payment for CAD budget (Sec. 6.06(e)). • Last day for cities to report information regarding reinvestment zones and tax increment financing to Texas Comptroller (Sec. 311.019(c)). • Last day for qualified community housing development organizations to file listing of property acquired or sold during past year with the chief appraiser (Sec. 11.182(i)).
APRIL 2018 SEE 2018 WORK PLAN	
1-Apr thru 30-Apr	<ul style="list-style-type: none"> • Conclude field work relating to reappraisal and inspection of identified properties • Conclude reappraisal of rural land and subdivisions • Conclude discovery of new improvements • Conclude personal property discovery • Conclude commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Bids for Bank Depository every two years • Publish legal requirements for filing protest (Secs. 41.41, 41.70). • Public Funds Investment Quarterly Report
1-Apr	<ul style="list-style-type: none"> • Last day (or as soon as possible) for the chief appraiser to mail notices of appraised value for single-family residence homestead properties (Sec. 25.19(a)). • Last day for property owners to file exemption application for vehicle used for personal and income-producing activities (Sec. 11.254). • Last day for the chief appraiser to notify the taxing units of the form in which the appraisal roll will be provided to them (Sec. 26.01(a)).
12-Apr	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month • 1st quarter clerical changes
15-Apr	<ul style="list-style-type: none"> • Last day for property owners to file renditions and property information reports unless they request a filing extension in writing (Sec. 22.23(a)).
16-April	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • 1st quarter clerical changes • Audit report • Authorize return of fund balance to entities • Proposed Budget to Entities

30-Apr	<ul style="list-style-type: none"> • Last day for property owners to file these applications or reports with the CAD: • Some exemptions applications (Sec. 11.43(b)); • Notice to chief appraiser that property is no longer entitled to an exemption not requiring annual application (Sec. 11.43(f)); • Applications for allocation under Secs. 21.03, 21.031, 21.05 or 21.055 (Sec. 21.09(b)); • Applications for special appraisal or notices to chief appraiser that property no longer qualifies for 1-d and 1-d-1 agricultural land, timberland, restricted-use timberland, recreational-park-scenic land and public access airport property (Secs. 23.43(b), 23.54(d), 23.75(d), 23.84(b), 23.94(b), 23.9804(e)); • Railroad rolling stock reports (Sec. 24.32(e)); • Requests for separate listings of separately owned land and improvements (Sec. 25.08(c)); • Requests for proportionate taxing of a planned unit development property (Sec. 25.09(b)); • Requests for separate listing of separately-owned standing timber and land (Sec. 25.10(c)); • Requests for separate listing of undivided interest (Sec. 25.11(b)); and • Requests for joint taxation of separately owned mineral interest (Sec. 25.12(b)). • Last day for the chief appraiser to certify estimate of school district’s taxable value for school district to use for publishing notice of budget and proposed tax rate and adopting its budget for a fiscal year that begins July 1. Chief appraiser must also certify estimate of taxable value for county and cities unless the taxing units choose to waive the estimate (Sec. 26.01(e)). • Last day for property owners to file protest with ARB (or by 30th day after notice of appraised value is delivered, whichever is later) in connection with properties that are single-family residence homesteads; however, a property owner may file a protest before June 1 if the ARB has not approved the appraisal records (Sec. 41.44(1)).
MAY 2018	SEE 2018 WORK PLAN
1-May thru 31-May	<ul style="list-style-type: none"> • Collect, verify and process sales information • Collect, verify and process income and expense information • Continue informal hearing with property owners and agents • Appraisal Review Board hearings as needed on Tuesdays and Thursdays • Update preliminary values on website • Budget presentations for Taxing Entities
1-May	<ul style="list-style-type: none"> • Last day (or as soon as possible) for the chief appraiser to mail notices of appraised value for properties other than single-family residence homesteads (Sec. 25.19(a)).

1-May thru 14-May	<ul style="list-style-type: none"> • Period to file resolutions with chief appraiser to change CAD finance method (Sec. 6.061(c)).
10-May	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month
1-May thru 15-May	<ul style="list-style-type: none"> • Period when chief appraiser must publish notice about taxpayer protest procedures in a local newspaper with general circulation (Sec. 41.41(b), 41.70(a)).
15-May	<ul style="list-style-type: none"> • Last day for property owners to file renditions and property information reports if they requested in writing an extension. For good cause, chief appraiser may extend this deadline another 15 days (Sec. 22.23(a)). • Last day (or as soon as possible) for chief appraiser to mail notices of appraised value, denial of exemptions, denial of special appraisal and notices of overlapping appraisal districts (Secs. 11.45, 23.57, 23.79, 23.85, 23.95, 23.9805, 25.19). • Date (or as soon as practicable) for chief appraiser to prepare appraisal records and submit to ARB (Secs. 25.01(a), 25.22(a)).
19-May	<ul style="list-style-type: none"> • Last day for chief appraiser to determine whether a sufficient number of eligible taxing units filed resolutions to change CAD's finance method (Sec. 6.061(d)).
21-May	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of month
24-May	<ul style="list-style-type: none"> • Last day for chief appraiser to notify taxing units of change in the CAD's finance method (Sec. 6.061(d)).
28-May	<ul style="list-style-type: none"> • Third Quarter Allotment Letters to Taxing Units
31-May	<ul style="list-style-type: none"> • Last day for property owners to file protest with ARB (or by 30th day after notice of appraised value is delivered, whichever is later)(Sec. 41.44(a)(2)). • Last day for taxing units to file challenges with ARB (or within 15 days after ARB receives appraisal records, whichever is later)(Sec. 41.04). • Last day for religious organizations to amend charters and file new applications for Sec. 11.20 exemption (or within 60 days of exemptions denial, whichever is later)(Sec. 11.421(a)(1)(A)). • Last day for property owner to file a protest with ARB in connection with properties that are single-family residence homesteads if the ARB has not approved the appraisal records; otherwise the deadline to file a protest for single-family residence homesteads is before May 1 or by the 30th day after notice of appraised value is delivered,

	whichever is later (Sec. 41.44(1,2)).
JUNE 2018	SEE 2018 WORK PLAN
1-June thru 30-June	<ul style="list-style-type: none"> • Collect, verify and process sales information • Collect, verify and process income and expense information • Continue informal hearing with property owners and agents • Appraisal Review Board hearings as needed on Tuesdays and Thursdays • Budget presentations for Taxing Entities
14-June	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month • Last day for chief appraiser to submit recommended budget to CAD board and taxing units (unless taxing units have changed CAD's fiscal year)(Sec. 6.06(a)).
16-June	<ul style="list-style-type: none"> • Beginning date that CAD board may pass resolution to change CAD finance method, subject to taxing units' unanimous approval. Period ends before August 15, (Sec. 6.061(a)).
18-June	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Select depository (two years) odd number years only
30-June	<ul style="list-style-type: none"> • Last day for taxing units' third quarterly payment for CAD budget (Sec. 6.06(e)). • Last day to form a taxing unit to levy current year property taxes (Sec. 26.12). • Last day for taxing units to adopt local option percentages homestead exemptions (Sec. 11.13(n)). • Last day for private schools to amend charters and file new applications for Sec. 11.21 exemption (or within 60 days of exemptions denial, whichever is later)(Sec. 11.422(a)(1)(A)). • Last day for CADs to report formation of reinvestment zones and tax abatement agreements to the Texas Comptroller (Sec. 312.005(a)).
JULY 2018	SEE 2018 WORK PLAN
1-July thru 31-July	<ul style="list-style-type: none"> • Collect, verify and process sales information • Collect, verify and process income and expense information

	<ul style="list-style-type: none"> • Conclude informal hearing with property owners and agents • Appraisal Review Board hearings as needed on Tuesdays and Thursdays • Public Funds Investment Quarterly Report • Budget presentations to Taxing Units
1-July	<ul style="list-style-type: none"> • Last day for review and protests of appraisals of railroad rolling stock values (or as soon as practicable); once the appraised value is approved, the chief appraiser certifies to the Comptroller the allocated market value (Secs. 24.35(b), 24.36).
12-July	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of the month • 2nd quarter clerical changes
16-July	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • 2nd quarter clerical changes
20-July	<ul style="list-style-type: none"> • Date ARB must approve appraisal record, but may not do so if more than 5 percent of total appraised value remains under protest (Sec. 41.12(a.b)).
25-July	<ul style="list-style-type: none"> • Last day for the chief appraiser to certify appraisal roll to each taxing unit (Sec. 26.01). • Last day for Texas Comptroller to certify apportionment of railroad rolling stock value to counties, with supplemental records after that date (Sec. 24.38, 24.40).

**BANDERA CAD
2018 WORK PLAN OUTLINE
YR3**

I. Rechecks

Source: Building permits, septic permits, filings, and individually flagged accounts (including sales verification). Rechecks may also include properties identified by Pictometry Change Finder.

Estimated count usually runs between 1,200 to 2,500 total.

Personnel: Utopia/Medina, Ag/Field Appraiser
BISD/Pipe Creek West, Field Appraiser
BISD/Pipe Creek East, Field Appraiser
BISD/City, All Field Appraisers
Time frame: August 15, 2017 thru March 30, 2018

II. Special Projects

- 1) Link Multiple Properties
- 2) Subset Code Properties in YR3
- 3) Identify and Review Land Adjustments
- 4) Review ARB Determinations

III. Personal Property

- 1) Discovery – Comptroller’s Sales Tax List, DBA’s, advertisements, Chamber of Commerce, websites

Personnel: Personal Property Appraiser
Support Staff
Time frame: August 1, 2017 thru April 30, 2018

- 2) Rendition Process (mail out and log in)

Personnel: Chief Appraiser
Personal Property Appraiser
Support Staff

- 3) Working Renditions

Personnel: Personal Property Appraiser
Time frame: January 1, 2018 thru May 30, 2018

IV. Review Rural Land Values

- 1) Inspect rural land within Reappraisal Year 3

Personnel: All Field Appraisers
Time Frame: August 15, 2017 thru March 30, 2018

- 2) Perform ratio studies on rural land by size, location, and neighborhood
- 3) Update RL schedules as indicated
- 4) Identify and address any equity issues found

Personnel: Chief Appraiser
Deputy Chief Appraiser
Time frame: March 1, 2018 thru April 1, 2018

V. Update Residential Schedules

- 1) Perform ratio studies on residential properties by housing class
- 2) Review and revise schedules as indicated

Personnel: Chief Appraiser
Time frame: February 1, 2018 thru March 30, 2018

VI. Update Subdivision Schedules

(See 2018 Subdivision Reappraisal list)

- 1) Develop neighborhood coding for subdivisions with like/similar properties in reappraisal area.
- 2) Perform ratio studies on all subdivisions; field inspect to confirm characteristic data; correct /adjust land and improvement schedules as indicated. Apply neighborhood adjustment as indicated.

Personnel: Field Review: Deputy Chief Appraiser
Senior Appraiser
All Field Appraisers
Time frame: August 15, 2017 thru March 1, 2018

Office Review: Chief Appraiser
Deputy Chief Appraiser
Time frame: February 1, 2018 thru April 15, 2018

VII. Medina Lake

- 1) Review neighborhoods: Pebble Beach/Jones Beach WF (PB/JBWF), Water Front East (WFEAST), Water Front West (WFWEST), Wharton’s Dock River Front (WHDOCKWF) for indicated adjustments.
- 2) Implement project to calculate linear front footage of waterfront properties for placement in CAMA System for future use.
- 3) Update land schedules and neighborhood adjustments as indicated by local market.

Personnel: Field Review: All Field Appraisers

 Office Review: Chief Appraiser
 Deputy Chief Appraiser
 GIS Appraiser
Time frame: September 1, 2017 thru April 30th, 2018

VIII. Ag/Wildlife Application Process (including mail out)

- 1) Send applications and surveys to new owners
- 2) Send application to owners with questionable qualifications
- 3) Send Agriculture Survey to 1-d-1 property owners in Reappraisal Year 3
- 4) Field inspect properties for which an application is filed
- 5) Determine qualification and valuation

Personnel: Field Review: Ag Appraiser

 Office Review: Deputy Chief Appraise
 Ag Appraiser
 Support Staff
Time frame: January 1, 2018 thru June 15, 2018

IX. Medina/Utopia

- 1) Inspect and review Medina Town and Utopia commercial and residential properties. Develop neighborhood coding for subdivisions with like/similar properties in Medina/Utopia.
- 2) Review and adjust schedules as needed. Apply neighborhood adjustment as indicated.

Personnel: Field Review: All Field Appraisers

 Office Review: Chief Appraiser
 Deputy Chief Appraiser
Time frame: September 1, 2017 thru April 15, 2018

X. Hwy Frontage 16N, 173N, 173S

- 1) Review values on highway frontage to county line
- 2) Request and review information from County Engineer regarding requirements for development on highway frontage.
- 3) Identify properties fronting highways +/- 5 miles each direction of Bandera, Pipecreek, and Medina. Segment out acreage fronting highway and place identifier on property for future use.
- 4) Review land values and adjust land schedules as needed

Personnel: Chief Appraiser
Deputy Chief Appraiser
GIS Appraiser

Time frame: September 1, 2017 thru March 30, 2018

XII. Carry-over from 2017

- 1) Any items not completed from the 2017 work plan will carry forward to the 2018 work plan.

BANDERA COUNTY
YR3 SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW DATE ASSIGNED	FIELD REVIEW DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
61000	BRRANCH	B & R	D / E	U	YR3	RL1						
62000	BRRANCH	B & R ESTATES	E	U	YR3	RL1R						
64000	CYPRSHLOW	CYPRESS HOLLOW	E	U	YR3	RL1R						
58000	LUTHERLND	LUTHERLAND	A / D / E	M	YR3	RL3R						
51000	MEDINARES	BAKER ADDITION	A	M	YR3	MT						
52000	MEDINARES	BAKER HIGHLANDS	A	M	YR3	MTC						
53000	MEDINARES	BELLOWS ADDITION	A	M	YR3	MT						
54000	MEDINARES	HARDWICK	A	M	YR3	MT						
55000	MEDINARES	LAYTON	A	M	YR3	MTC						
56000	MEDINARES	LEWINN MANOR	A	M	YR3	MT						
57000	MEDINARES	LEWIS ADDITION	A	M	YR3	MT						
51800	MEDINARES	REED ADDITION	A	M	YR3	MT						
51600	MEDINARES	SHEPPARD ADDITION	A	M	YR3	MT						
51700	MEDINARES	WALTERS	A	M	YR3	MT						
51300	MESA VERDE	MESA VERDE	D / E	M	YR3	SECO/MESA						
59000	MHILLS	MEDINA HILLS	D / E	M	YR3	RL3						
51100	MRCAMPMENT	MEDINA RIVER ENCAMPMENT	A / F	M	YR3	MRIVE						
59100	MSPRINGS	MEDINA SPRINGS	D / E	M	YR3	MDSPR	X					
51400	OKRDGE	OAK RIDGE	E	M	YR3	RL3						
51501	ORCHPK	ORCHARD PARK	A PRIM	M	YR3	ORCHPARK						
GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW DATE ASSIGNED	FIELD REVIEW DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
13350	RIDGERTE	HICKS WINDMILL PASTURE	E	M	YR3	HWP						
67000	RIOHONDO	RIO HONDITO	D / E	U	YR3	RHO	X					
68000	RIOHONDO	RIO HONDO	D / E	U	YR3	RHD	X					
51200	RIOMEDINA	RIO MEDINA	D / E	M	YR3	RL3	X					

BANDERA COUNTY
YR3 SUBDIVISION LISTING

51200	RIOMEDINAWF	RIO MEDINA	A / C	M	YR3	RL3R	X			
51900	SECOPASS	SECO PASS	D / E	M	YR3	SECO/MESA				
61100	THUNDRCRK	THUNDER CREEK	D / E	U	YR3	RLI				
YEARLY REVIEW										
ABSTS	SUBSET RLI	RURAL LAND 1	D / E	U	YR3	RLI				
ABSTS	SUBSET RLIW	RURAL LAND 1 WATER	D / E	U	YR3	RLIW				
ABSTS	SUBSET RLIR	RURAL LAND 1 RIVER	D / E	U	YR3	RLIR				
ABSTS	SUBSET RL3	RURAL LAND 3	D / E	M/B	YR2 / 3	RL3				
ABSTS	SUBSET RL3W	RURAL LAND 3 WATER	D / E	M/B	YR2 / 3	RL3W				
ABSTS	SUBSET RL3R	RURAL LAND 3 RIVER	D / E	M/B	YR2 / 3	RL3R				
ABSTS	SUBSET RL4	RURAL LAND 4	D / E	B	YR1 / 2	RL4				
ABSTS	SUBSET RL4W	RURAL LAND 4 WATER	D / E	B	YR1 / 2	RL4W				
ABSTS	SUBSET RL4R	RURAL LAND 4 RIVER	D / E	B	YR1 / 2	RL4R				
ABSTS	SUBSET RL4W	RURAL LAND 4 LAKE	D / E	B	YR1 / 2	RL4L				

BANDERA COUNTY
YR3 SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LAND SCHEDULE	PROPERTY CARD COUNT	FIELD REVIEW DATE ASSIGNED	FIELD REVIEW DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
10400	BTRES	BANDERA CITY	A / C	B	YR2	BT						
10400	BTCOMM	BANDERA CITY	C / F	B	YR2	BT						
10400	BTCOMNM	BANDERA CITY	C / F	B	YR2	BT						
11701	BANRIVRNCH	BANDERA RIVER RANCH	A / C	B	YR1	BRIVRNCH						
19001	BRIDGT	BRIDLEGATE 1-2-3-4-5A-5B	A / C	B	YR1	BG	X					
	BRIDGTRF	BRIDLEGATE RIVER FRONT 1-2-3	A / C	B	YR1	BGIR	X					
12800	FLYINGL	FLYING L RANCH	A / C	B	YR2	FL	X					
MEDINA LAKE NEIGHBORHOOD'S FOR WATERFRONT ADJUSTMENTS												
	PB/IBWF	PEBBLE BEACH/JONES BEACH W	A / C	B	ALL YEARS	WF						
	WF EAST	SCENIC HARBOR TO BREEZY POI	A / C	B	ALL YEARS	WF						
	WF WEST	REDUS COVE TO WHARTON'S DO	A / C	B	ALL YEARS	WF						
	WHDOCKWF	WHARTON'S DOCK WATERFRONT	A / C	B	ALL YEARS	WF						

CALENDAR OF EVENTS – 2019 YR1

AUGUST 2018	SEE 2019 WORK PLAN
1-Aug thru 31-Aug	<ul style="list-style-type: none"> • Commence field work relating to reappraisal and inspection of identified properties • Commence reappraisal of portions of rural land and subdivisions • Commence discovery of new improvements • Commence personal property discovery • Commence commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Appraisal Review Board meeting as needed on Tuesdays and Thursdays • EARS submission to PTAD – Electronic Appraisal Roll • EPTS submission to PTAD – Electronic Property Transaction • Public presentations as needed • Budget presentations for Taxing Entities • Certification presentations
1-Aug	<ul style="list-style-type: none"> • Date taxing unit’s assessor submits appraisal roll and date that collector submits collection rate estimate for the current year to the governing body (or soon after) (Sec. 26.04(b)).
7-Aug	<ul style="list-style-type: none"> • Date taxing units (other than school districts, small taxing units and water districts) must publicize effective tax and rollback rates, unencumbered fund balances, debt obligation schedule and other applicable items (or as soon as practical thereafter) (Secs. 26.04, 26.052 and Water Code Secs. 49.107, 49.108). Cities and counties that provide a property tax rate notice under Local Government Code Section 140.010 are exempt from the requirements of Tax Code Sections 26.04(e), 26.052, and 26.06 (Local Gov’t Code Sec. 140.010).
9-Aug	<ul style="list-style-type: none"> • Appraisal Review Board (ARB) meeting second Thursday of the month
14-Aug	<ul style="list-style-type: none"> • Last day for CAD board to pass resolution to change number of directors, method for appointing both, and deliver to each taxing unit (Sec. 6.031(a)). • Last day for CAD board to pass resolution to change CAD finance method, subject to taxing unit’s unanimous consent (Sec. 6.061(a)).
15-Aug	<ul style="list-style-type: none"> • Board of Director’s meeting third Monday of the month

	<ul style="list-style-type: none"> • Adopt Appraisal District budget • Approve reappraisal plan (Sec. 6.05i), even number years only • Deadline for Texas Comptroller to certify final PVS findings to Education Commissioner and each school district (Comptroller Rule Sec. 9.4317).
29-Aug	<ul style="list-style-type: none"> • Fourth Quarter Allotment Letters to Taxing Units
31-Aug	<ul style="list-style-type: none"> • Last day for property owner to give correct address to CAD in writing for tax bill; penalties and interest waived if bill not sent to correct address 21 days before delinquency date (Sec. 33.011(b)(1)). • Last day taxing units may file resolutions with the CAD board to oppose proposed change in the CAD finance method (Sec. 6.061(a)). • Last day for taxing unit entitled to vote for appointment of CAD directors to file a resolution opposing a change by the CAD board in selection of directors (Sec. 6.031(a)). • Deadline for an eligible dealer of motor vehicle inventory to file form with chief appraiser and collector to elect not to be treated as a motor vehicle inventory dealer for the next tax year (Sec. 23.121(a)(3)(D)(iii)).
SEPTEMBER 2018 SEE 2019 WORK PLAN	
1-Sept thru 30-Sept	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Review Mineral Utility Contract • Review Auditors Contract • Public presentations as needed • Certification presentations • Start producing Annual Report for previous year
1-Sept	<ul style="list-style-type: none"> • Date that taxable value of inventories may be determined at property owner's written option (Sec. 23.12(f)).
13-Sept	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month

14-Sept	<ul style="list-style-type: none"> • Last day for CAD board to adopt next year budget unless district has changed its fiscal year (Sec. 6.06(b)). • Last day for CAD board to notify taxing units in writing if a proposal to change a finance method by taxing units' unanimous consent has been rejected (Sec. 6.061(a)). • Last day for CAD to notify taxing units in writing if a proposal to change number or method of selecting CAD directors is rejected by a voting taxing unit (Sec. 6.031(a)).
15-Sept	<ul style="list-style-type: none"> • Last day to approve Biennial Reappraisal Plan (Sec. 6.05(i)) • Last day to adopt resolution approving CAD Budget (Sec. 6.06).
17-Sept	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Review Board of Director's election process • Award audit contract (two year) even number years only
29-Sept	<ul style="list-style-type: none"> • Last day for taxing units to adopt tax rate for the current year, or before the 60th day after the date the certified appraisal roll is received by a taxing unit, whichever is later. Failure to adopt by these required dates results in a unit adopting the lower of its effective tax rate for this year or last year's tax rate; unit's governing body must ratify new rate within five days of establishing rate (Sec. 26.05).
30-Sept	<ul style="list-style-type: none"> • Last day for taxing units' fourth quarterly payment for CAD budget (Sec. 6.06).
OCTOBER 2018 SEE 2019 WORK PLAN	
1-Oct thru 31-Oct	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Chief Appraiser Evaluation • Pubic presentations as needed • Date (1st) tax assessor mails current year tax bills (or soon after)(Sec. 31.01(a)).
1-Oct	<ul style="list-style-type: none"> • Date tax assessor mails current year tax bills (or soon after) (Sec. 31.01(a)). • Publish ARB vacancy notice
11-Oct	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month • 3rd quarter clerical changes

15-Oct	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Chief Appraiser review • 3rd quarter clerical changes
November 2018 SEE 2019 WORK PLAN	
1-Nov thru 30-Nov	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Calculate Allotment amounts • Prepare Allotment letters • Publish Annual Report for previous year • Public presentations as needed
8-Nov	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month
19-Nov	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Budget line item transfers • Award Utility/Mineral appraisal contract (two year), odd number years only • Nominate/Consider ARB and Ag Board members • Review and revise Board of Directors Manual • Review and revise Personnel Policy Manual
26-Nov	<ul style="list-style-type: none"> • First Quarter Allotment Letters to Taxing Units
DECEMBER 2018 SEE 2019 WORK PLAN	
1-Dec thru 31-Dec	<ul style="list-style-type: none"> • Continue field work relating to reappraisal and inspection of identified properties • Continue reappraisal of portions of rural land and subdivisions • Continue discovery of new improvements

	<ul style="list-style-type: none"> • Continue personal property discovery • Continue commercial property discovery • Collect, verify and process sales information • Collect, verify and process income and expense information • Public presentations as needed • Time when chief appraiser may conduct a mail survey to verify homestead exemption eligibility (Sec. 11.47(a)).
13-Dec	<ul style="list-style-type: none"> • Appraisal Review Board meeting second Thursday of month
17-Dec	<ul style="list-style-type: none"> • Board of Director's meeting third Monday of the month • Announce Board of Directors election results • Appoint ARB and Ag Boards
31-Dec	<ul style="list-style-type: none"> • Last day for taxing units' first quarterly payment for CAD budget (Sec. 6.06). • Last day for taxing units to take official action to tax goods-in-transit for the following tax year (Sec. 11.253).

**BANDERA CAD
2019 WORK PLAN OUTLINE
YR1**

I. Rechecks

Source: Building permits, septic permits, filings, and individually flagged accounts (including sales verification).

Estimated count usually runs between 1200 to 2500 total

Personnel: Utopia/Medina, Ag/Field Appraiser
BISD/Pipe Creek West, Field Appraiser
BISD/Pipe Creek East, Field Appraiser
BISD/City, All Field Appraisers

Time frame: August 15, 2018 thru March 30, 2019

II. Personal Property

1) Discovery – Comptroller’s Sales Tax List, DBA’S, advertisements, Chamber of Commerce, websites

Personnel: Personal Property Appraiser
Support Staff

Time frame: August 1, 2018 thru April 30, 2019

2) Rendition Process (mail out and log in)

Personnel: Chief Appraiser
Personal Property Appraiser
Support Staff

3) Working Renditions

Personnel: Personal Property Appraiser
Time frame: January 1, 2019 thru May 30, 2019

III. Review Rural Land Values

1) Inspect all Rural Land within Reappraisal Year 1

Personnel: All Field Appraisers

Time Frame: August 15, 2018 thru March 30, 2019

2) Perform ratio studies on rural land by size and location

3) Update RL schedules as indicated

4) Identify and address any equity issues found

Personnel: Chief Appraiser
Deputy Chief Appraiser

Time frame: March 1, 2019 thru April 1, 2019

IV. Update Residential Schedules

- 1) Perform ratio studies on residential properties by class
- 2) Review and revise schedules as indicated

Personnel: Chief Appraiser

Time frame: February 1, 2019 thru March 30, 2019

V. Update Subdivision Schedules

(See 2019 subdivision reappraisal list)

- 1) Develop neighborhood coding for subdivisions with like/similar properties in reappraisal area which are not currently coded.
- 2) Perform ratio studies on all subdivisions; field inspect to confirm characteristic data; correct/ adjust land, improvement schedules as indicated.

Personnel: Field Review: Deputy Chief Appraiser
Senior Appraiser
All Field Appraisers

Time frame: August 15, 2018 thru March 1, 2019

Office Review: Chief Appraiser
Deputy Chief Appraiser

Time frame: February 1, 2019 thru April 15, 2019

VI. Medina Lake

- 1) Review neighborhoods: Pebble Beach/Jones Beach WF (PB/JBWF), Water Front East (WFEAST), Water Front West (WFWEST), Wharton’s Dock River Front (WHDOCKWF) for indicated adjustments.
- 2) Continue project of calculating front footage of waterfront properties and placing in calculation in CAMA System as identifier.
- 3) Update land schedules indicated

Personnel: Field Review: Field Appraisers

Office Review: Chief Appraiser
Deputy Chief Appraiser
GIS Appraiser

Time frame: August 15, 2018 thru March 30, 2019

VII. Avalon

- 1) Inspect and update property records
- 2) Review schedules, distinguishing residential from commercial, and developed from undeveloped.
- 3) Neighborhood code market areas in Avalon and make appropriate adjustments as indicated.

Personnel: Field Review: Field Appraisers

Office Review: Chief Appraiser
Deputy Chief Appraiser

Time frame: November 1, 2018 thru March 1, 2019

VIII. FM 1283 and PR 37

- 1) Request and review information from County Engineer regarding requirements for development on farm to market and park roads frontage.
- 2) Identify properties fronting FM 1283 and PR 37 in each direction. Segment out acreage fronting highway and place identifier on property for future use.
- 3) Review land values on FM 1283
- 4) Review land values on PR 37

Personnel: Chief Appraiser
Deputy Chief Appraiser

Time frame: September 1, 2018 thru March 30, 2019

IX. Ag/Wildlife Application Process (including mail out)

- 1) Send applications and surveys to new owners
- 2) Send application to owners with questionable qualification
- 3) Send Ag Survey to 1-d-1 property owners in Reappraisal Year 1
- 4) Field inspection properties for which there is an application filed
- 5) Determine qualification and valuation.

Personnel: Field Review: Ag Appraiser

Personnel: Office Review: Deputy Chief Appraise
 Ag Appraiser
 Support Staff

Time frame: January 1, 2019 thru June 15, 2019

XI. Carry-over from 2018

- 1) Any items not completed from the 2018 work plan will carry forward to the 2019 work plan.

BANDERA COUNTY
YRI SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LND SCHEDULES	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
12100	1283OAKS	COUNTRY OAKS	E	B	YRI	RL4						
13200	1283OAKS	GREEN OAKS ESTATE	E	B	YRI	RL4						
15450	1283OAKS	OAK HOLLOW	E	B	YRI	RL4						
10101	ALMOBCH	ALAMO BEACH	A/C	B	YRI	AB	x					
10300	AVALON	AVALON	A/C	B	YRI	AVA						
12400	AVALON	DUDE RANCH COLONY	A/C	B	YRI	BP						
13600	AVALON	HILL TOP SUBDIVISION	A	B	YRI	SPECIAL/FLT	X					
15600	AVALON	PROSPECT HILL (INTERIOR)	A/C	B	YRI	SPECIAL/FLT	X					
11701	BANRVRNCH	BANDERA RIVER RANCH	A/C	B	YRI	BRVRNCH						
10600	BFAI.T.S	BANDERA FALLS	A/C	B	YRI	BF						
19001	BRIDGT	BRIDLEGATE 1-2-3-4-5A-5B	A/C	B	YRI	BG	X					
	BRIDGTRF	BRIDLEGATE RIVER FRONT 1-2-3-4-5A-5B	A/C	B	YRI	BG1R	X					
11850	BRUSHCRK	BRUSHY CREEK RANCH	A/C	B	YRI	BC						
16560	BTCOMNM	RIVERVIEW ADDITION	F	B	YRI	BTC/RL3R	X					
18801	CIELORIO	CIELO RIO RANCH I	A/C	B	YRI	CR	X					
11990	COMCLIFFS	COMANCHE CLIFFS	A/C	B	YRI	CC	X					
12230	CYPRESSPK	CYPRESS PARK	E	B	YRI	RL4						
19000	DBEAR	DANCING BEAR	C	B	YRI	DB9						
12250	DF/WW/KER	DEER FOREST	E	B	YRI	RL4						
17300	DF/WW/KER	WENTWORTH SUBDIVISION	E	B	YRI	RL4						
12245	DRFL	DEERFIELD	A	B	YRI	RL4						
12575	ERE1	ENCHANTED RIVER ESTATES 1	A/C	B	YRI	ECHR1						
	ERE2	ENCHANTED RIVER ESTATES 2	A/C	B	YRI	ECHR2						
13150	GHEINT	GOATHILL ESTATES INTERIOR	A/C	B	YRI	GHE5						
	GHEWF	GOATHILL ESTATES WF	A/C	B	YRI	WF						
13450	HICACRES	HILL COUNTRY ACRES	A/C	B	YRI	RL4						
14310	LACOVSTA	LAGO VISTA	E	B	YRI	RL4						
14400	LF/RR/RV/T	LAKE FOREST RANCH	E	B	YRI	RL4						

BANDERA COUNTY
YRI SUBDIVISION LISTING

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16200	LF/RR/RV/T	RIO RANCHERO	E	B	YRI	RL4						
16300	LF/RR/RV/T	RIO VISTA	E	B	YRI	RL4						
16850	LF/RR/RV/T	TESORO SUBDIVISION	E	B	YRI	RL4						
	LFRRRVTFW	LAKE FOREST RANCH WF	E	B	YRI	WF						
	LFRRRVTFW	RIO RANCHERO WF	E	B	YRI	RL4W						
	LFRRRVTFW	RIO VISTA WF	E	B	YRI	WF						
14560	LKPOINT	LAKEPOINT SECTION 1 - 2	A/C	B	YRI	LAKEPOINT						
14565	LKVLKS	LAKESIDE SUBDIV	A	B	YRI	LV/LS	X					
14567	LKVLKS	LAKEVIEW SUBDIV	A	B	YRI	LV/LS						
14580	LKWDPK	LAKWOOD PARK	A	B	YRI	RL4						
14501	LMHIGHNDS	LAKE MEDINA HIGHLANDS	A/C	B	YRI	LMHI						
15401	LMHIGHNDS	MORGAN HEIGHTS	A/C	B	YRI	LMHI	X					
15400	LMHIGHNDS	MORGAN HEIGHTS RESORT CITY	A/C	B	YRI	LMHI	X					
Unplatted	LMHIGHNDS	PLUM CREEK COVE	A/C	B	YRI	LMHI						
16700	LMHIGHNDS	SETTLEMAYER	A	B	YRI	LMHI	X					
14590	LURLCRK	LAUREL CREEK RANCH PM.37	E	B	YRI	RL4						
	LURLCRKRES	LAUREL CREEK RANCH RES FM 1283	A	B	YRI	RL4						
12500	LVEOKACRES	EDWARDS SUBDIVISION	E	B	YRI	RL4						
14601	LVEOKACRES	LIVE OAK ACRES	E	B	YRI	RL4						
14570	LWF	LAKEWOOD ESTATES	A	B	YRI	LWEI						
	LWFC	LAKEWOOD ESTATES COMM	C/F	B	YRI	MLCC						
15150	MDLKEST	MEDINA LAKE ESTATES	E	B	YRI	RL4						
	MLCCOM	MEDINA LAKE CENTER COMM	C/F	B	YRI	MLCC						
15110	MLCR	MEDINA LAKE CENTER RES	A/C	B	YRI	MLCR						
15200	MRRINT	MEDINA RIVER RANCH INTERIOR	E	B	YRI	RL4						
	MRRW	MEDINA RIVER RANCH WF	E	B	YRI	RL4R						
15440	MUSTCROSS	MUSTANG CROSSING	A	B	YRI	MCCR	X					
13100	MVGRS	GERONIMO SPRINGS	E	B	YRI	RL4						

BANDERA COUNTY
YRI SUBDIVISION LISTING

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15420	MVCRS	MOUNTAIN VIEW	E	B	YRI	RL4						
14000	PB/JB INT	JONES BEACH INT	A/C	B	YRI	JBINT						
15501	PB/JB INT	PEBBLE BEACH INT	A/C	B	YRI	PBI						
12550	PB/JB WF	ELM CREEK COVE	A/C	B	YRI	ELMCRKCOVE	X					
12553	PB/JB WF	ELM SHORES	A/C	B	YRI	WF6						
	PB/JBWF	JONES BEACH WF	A/C	B	YRI	WF						
	PB/JBWF	PEBBLE BEACH WF	A/C	B	YRI	WF						
16650	PCHW16F	SCHOTT A J	A	B	YRI	RL4						
15550	PCRKEST	PIPE CREEK ESTATES	A/C	B	YRI	PCE						
15700	RBLUFF	RED BLUFF CREEK	E	B	YRI	RL4						
15800	RBLUFF	RED BLUFF RANCH	E	B	YRI	RL4						
12601	RC/FINT	FAURIE- INTERIOR	A/C	B	YRI	RL4L	X					
15900	RC/FINT	REDUS COVE	A/C	B	YRI	RC						
16550	RORINT	RIVER OAKS RANCH INTERIOR	A/E	B	YRI	ROR						
	RORW	RIVER OAKS RANCH WATER	A/E	B	YRI	RORW						
16400	RVBLFRNCH	RIVER BLUFF RANCH	E	B	YRI	RL4						
	RVBLFRW	RIVER BLUFF RANCH WATER FRONT	E	B	YRI	RL4R						
71500	SC/OC	OAK COUNTRY	A/C	B	YRI	SC/OC						
71600	SC/OC	SPRING CREEK RANCH #1	A/C	B	YRI	SC/OC						
16440	SCHBOR	SCENIC HARBOR INT	A/C	B	YRI	SH						

BANDERA COUNTY
YRI SUBDIVISION LISTING

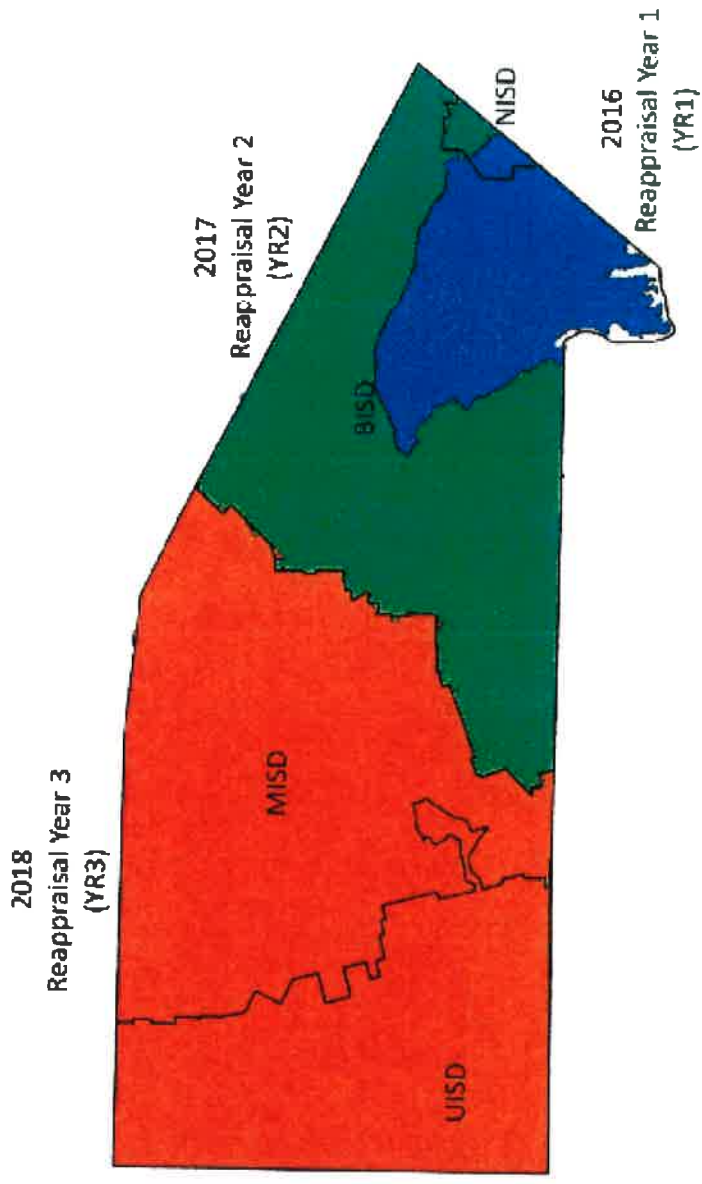
GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LND SCHEDULES	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
23000	SIDSHORE	SIDNEY SHORES	A/C	B	YRI	SIDINT	X					
71000	TCA	CEDAR HILL	E	B	YRI	TCA						
71300	TCA	INDIAN SPRINGS RANCH	E	B	YRI	TCA						
15410	TCA	MOUNTAIN RIDGE	E	B	YRI	TCA	X					
70000	TCA	MOUNTAIN SPRINGS	E	B	YRI	TCA						
71800	TCA	SWEENEY RANCH	E	B	YRI	TCA						
17050	TCA	TIMBER CREEK RANCH	E	B	YRI	TCA						
14350	TM/1C	LAKE COUNTRY	E	B	YRI	RL4						
17060	TM/1C	TRIPLE M RANCH	E	B	YRI	RL4						
17200	WAGCRK	WAGON CREEK RANCH	E	B	YRI	RL3						
10200	WF EAST	ANGEL HILL- WATER FRONT	A/C	B	YRI	WF						
	WF EAST	AVALON	A/C	B	YRI	WF						
	WF EAST	LAKE MEDINA HIGHLANDS	A/C	B	YRI	WF						
14595	WF EAST	LESESNE SUBDIV	A	B	YRI	WF	X					
15600	WF EAST	PROSPECT HILL	A/C	B	YRI	WF						
16440	WF EAST	SCENIC HARBOR WATER FRONT	A/C	B	YRI	SH						
	WF WEST	BRUSHY CREEK RANCH WATERFRONT	A/C	B	YRI	WF						
	WF WEST	FAURIE- WATERFRONT	A/C	B	YRI	WF						
16001	WF WEST	REDUS POINT	A/C	B	YRI	WF						
18500	WILOSPRING	WILLOW SPRINGS RANCH	E	B	YRI	RL4						
15250		MEDINA SHORES (INTERIOR)	A	B	YRI	RL4	X					
Unplatted		BOB'S COVE	A/C/E	B	YRI							
Unplatted		BUMP GATE	D/E	B	YRI	RL4						

BANDERA COUNTY
YRI SUBDIVISION LISTING

GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LND SCHEDULES	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
		YEARLY REVIEW										
ABSTS	SUBSET RL1	RURAL LAND 1	D/E	U	YR3	RL1						
ABSTS	SUBSET RL1W	RURAL LAND 1 WATER	D/E	U	YR3	RL1W						
ABSTS	SUBSET RL1R	RURAL LAND 1 RIVER	D/E	U	YR3	RL1R						
ABSTS	SUBSET RL3	RURAL LAND 3	D/E	M/B	YR2 /3	RL3						
ABSTS	SUBSET RL3W	RURAL LAND 3 WATER	D/E	M/B	YR2 /3	RL3W						
ABSTS	SUBSET RL3R	RURAL LAND 3 RIVER	D/E	M/B	YR2 /3	RL3R						
ABSTS	SUBSET RL4	RURAL LAND 4	D/E	B	YRI / 2	RL4						
ABSTS	SUBSET RL4W	RURAL LAND 4 WATER	D/E	B	YRI / 2	RL4W						
ABSTS	SUBSET RL4R	RURAL LAND 4 RIVER	D/E	B	YRI / 2	RL4R						
ABSTS	SUBSET RL4W	RURAL LAND 4 LAKE	D/E	B	YRI / 2	RL4L						
WHARTON'S DOCK SUBDIVISIONS HAVE VARIOUS NEIGHBORHOOD CODES: WD1, WD3, WHDI, WHDOCK, WHDOCKWF												
11001		BANDERA LAKESHORE BEACH SECTION 1 -	A / C	B	YRI	WD						
10800		BANDERA LAKESHORE EST	A / C	B	YRI	WD						
11100		BANDERA LAKESHORE RNCHTS	A / C	B	YRI	RL4						
10901		BANDERA LAKESHORE SUBDIV	A / C	B	YRI	WD						
11200		BANDERA LAKESHORE TERR	A / C	B	YRI	WD						
11300		BANDERA LAKESHORE VILLAGE	A / C	B	YRI	WD						
14550		LAKE MEDINA SHORES SECTIONS A - M	A / C	B	YRI	WD4						
15001		LOST VALLEY SHORES SECTION 1 - 5	A / C	B	YRI	WD4 WFMIX						
15125		MEDINA HILLS HARBOR SECTION 1 - 2	A / C	B	YRI	WD4						

BANDERA COUNTY
YR1 SUBDIVISION LISTING

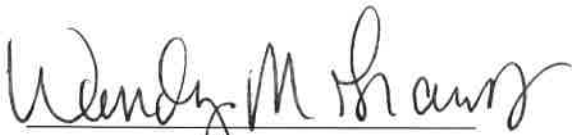
GEO #	NBH CODE	BANDERA ISD SUBDIVISIONS	PTAD	ISD	REAPPRAISAL YEAR	LAND SCHEDULE	MULTIPLE LND SCHEDULES	PROPERTY CARD COUNT	FIELD REVIEW APPRAISER DATE ASSIGNED	FIELD REVIEW APPRAISER DATE COMPLETED	OFFICE REVIEW PREPARED	OFFICE REVIEW COMPLETED
		YEARLY REVIEW										
10400	BTRES	BANDERA CITY	A/C	B	YR2	BT						
10400	BTCOMM	BANDERA CITY	C/F	B	YR2	BT						
10400	BTCOMM	BANDERA CITY	C/F	B	YR2	BT						
11701	BANRVRNCH	BANDERA RIVER RANCH	A/C	B	YR1	BRIVRNCH						
19001	BRIDGT	BRIDLEGATE 1-2-3-4-5A-5B	A/C	B	YR1	BG	X					
	BRIDGTRF	BRIDLEGATE RIVER FRONT 1-2-3-4-5A-5B	A/C	B	YR1	BGIR	X					
12800	FLYINGL	FLYING L RANCH	A/C	B	YR2	FL	X					
MEDINA LAKE NEIGHBORHOOD'S FOR WATERFRONT ADJUSTMENTS												
	PB/IRWF	PEBBLE BEACH/JONES BEACH WATER FRONT	A/C	B	ALL YEARS	WF						
	WF EAST	SCENIC HARBOR TO BREEZY POINT	A/C	B	ALL YEARS	WF						
	WF WEST	REDUS COVE TO WHARTON'S DOCK	A/C	B	ALL YEARS	WF						
	WHDOCKWF	WHARTON'S DOCK WATERFRONT	A/C	B	ALL YEARS	WF						



2017-2018 Biennial Reappraisal Plan
 Texas PTC Sec. 6.05 and 25.18

Certification Statement:

“I Wendy M. Grams, RPA, CCA, Chief Appraiser of the Bandera Appraisal District, do solemnly swear that I have made, or caused to be made, a diligent inquiry to ascertain all property in the district subject to appraisal, and that I have included in the records all property that I am aware of at an appraised value which, to the best of my knowledge and belief, was determined as required by the law.”



Wendy M. Grams, RPA, CCA
Chief Appraiser

8/22/14

Date

2017 - 2018
Mass Appraisal Methodology Manual
&
Reappraisal Plan

for

Bandera County Appraisal District

Hugh L. Landrum & Associates, Inc.
A Registered Professional Engineering Firm

Hugh L. Landrum & Associates, Inc.
Mass Appraisal Methodology Manual & Reappraisal Plan

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Hugh L. Landrum & Associates, Inc.

Mass Appraisal Methodology Manual

INTRODUCTION

Hugh L. Landrum & Associates, Inc. is a Registered Professional Engineering Firm in the State of Texas specializing in the mass appraisal of complex properties. In this role HLL&A recommends to its clients appraised values for selected properties. The recommended values are intended to be used by each client as part of the tax base of the taxing jurisdictions served by the client.

***THIS MANUAL IS SUBJECT TO CHANGE WITHOUT NOTICE.
IT IS ROUTINELY UPDATED TO MEET THE REQUIREMENTS OF
THE LEGISLATURE, THE COMPTROLLER AND OUR CLIENTS.***

SCOPE OF RESPONSIBILITY

The specific responsibilities of HLL&A to each of its clients are described in the contract between them. HLL&A's general responsibilities are to discover certain types of property, as required; to inspect the subject properties, where possible; and to appraise the properties or classes of property that are listed in the contract. An owner name and address record is also maintained for each property that is appraised. This set of services is typically provided to all of HLL&A's appraisal clients. These services are also typically supplied to other Texas appraisal districts by competing mass appraisal firms. Appraisal techniques and model types employed by HLL&A are similar to and/or derived from techniques and model types found in a variety of appraisal texts and appraisal courses, including but not limited to the Texas Property Tax Code, the Texas State Comptroller's guidelines, and the Uniform Standards of Professional Appraisal Practices (USPAP).

TYPES OF PROPERTY

In general, Hugh L. Landrum & Associates, Inc. is retained by its clients to appraise one or more of the following types of property:

- Industrial Property, Real and Personal
- Utility, Railroad, and Pipeline Properties
- Special Purpose Properties
- Business Personal Property
- Oil and Gas Reserves

Attached to this report are individual appraisal methods and a reappraisal plan for each type of property that Hugh L. Landrum & Associates, Inc. appraises. HLL&A's methodologies set out herein are derived from USPAP standards, the Texas Property Tax Code, State Comptroller guidelines and other relevant industry standards.

EXEMPT OR ABATED PROPERTIES

All properties appraised by HLL&A that are exempt as determined by either the Chief Appraiser or some governmental agency, will be treated as exempt as set out in Chapter 11 of the Texas Property Tax Code.

Pollution control exemptions are applied as determined by the Texas Commission on Environmental Quality, to the market value established for the subject property each year.

Abatements and value limitations are applied as set out in the respective Abatement or Value Limiting Agreement associated with the property, for those jurisdictions party to the Agreement. The Abatement or Value Limitation Agreements are provided to HLL&A by the CAD. The percentages used in abating or limiting the value, are applied to the market value established for the abated property for that year.

MARKET DATA AVAILABILITY

To the extent possible and where available, HLL&A researches, reviews compiles and maintains market data information on the various types of industries in which the properties that it appraises belong. HLL&A utilizes this market data to support its property values and makes all non-confidential and non-proprietary market data available to the CAD and to property owners for inspection upon request.

PERSONNEL RESOURCES

HLL&A maintains a staff that is skilled in appraisal, engineering, finance, information services, and property tax administration. All staff members participating in appraisal assignments are involved in a program of continuously improving his or her mass appraisal skills. Appraisal staff members are either advancing towards designation as a Registered Professional Appraiser by the Texas Department of Licensing and Regulation or, if they already hold such a designation, attend various classes and conferences designed to supplement their knowledge and abilities.

A list of appraisers and supporting staff members is attached. In general, the appraiser assigned to appraise a particular property is responsible for inspecting the property, analyzing it for characteristics that have a significant impact on value, gathering appropriate data, model development and model calibration, and arriving at an opinion of value. Centering these functions in the same appraiser tends to ensure that data that would have a material or significant effect on the resulting opinions or conclusions are correctly identified. The individual appraiser is involved in calibrating model structures to determine the contribution of the individual characteristics affecting value, applying the conclusions reflected in the model to the characteristics of the properties being appraised, and reviewing his or her results. The list of properties assigned to each individual appraiser is maintained in the appraisal files at Hugh L. Landrum & Associates, Inc. and by each respective client.

TAXPAYER ASSISTANCE

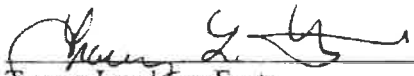
HLL&A trains its entire staff in providing assistance to taxpayers as set out in the IAASO's *Standard on Public Relations*. Our staff is trained to timely and professionally respond to taxpayer phone calls and e-mails, as well as, being able to instruct taxpayers on the appraisal process from the initial appraisal of their property through the protest process. HLL&A works closely with each appraisal district to see that any specific requirements of each CAD are being met and to keep them apprised of our progress throughout the process.

CERTIFICATION STATEMENT:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions or are the impartial and unbiased professional analyses, opinions, and conclusions of the other appraisers who are appraising property for the appraisal district to which this report is submitted. A list of the appraisers who are appraising property for the **Bandera County Appraisal District** is attached. Based on my personal knowledge of the education, background, and experience of the appraisers listed in this report, I believe that those appraisers are competent and that their work is credible.
- I have no present or prospective interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- Other than the appraisal services performed under contract for the appraisal district for prior years, I have performed no other services, as an appraiser or in any other capacity, regarding any property that is the subject of this report within the three-year period immediately preceding my acceptance of this assignment.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practices*.
- I have not made a personal inspection of all of the properties that are the subject of this report. However, the properties have been inspected by one or more of the appraisers assigned to appraise properties in the appraisal district to which this report is submitted.
- No one provided significant mass appraisal assistance to the person signing this certification except the appraisers assigned to appraise properties in this appraisal district, a list of which is attached.

Subscribed and sworn to this 2nd day of July, 2016.



Tracey Landrum Foster

Vice President & Co-Owner

Hugh L. Landrum & Associates, Inc.

APPRAISER & STAFF LISTING
FOR
BANDERA COUNTY APPRAISAL DISTRICT
2017 & 2018

APPRAISERS:

Hugh L. Landrum, Jr., PE, RPA
Tracey L. Foster, JD, RPA, CTA
Douglass Warren, RPA
Michael Rigsby, BS, RPA
Max W. Yu, BS
Kirk L. Slaughter, BS
Erik Ontiveros, BS

STAFF:

Brandi Antley
Rebecca "Betsy" Welker
Shawnel Harrison
Sue Fellers

***THIS LIST IS SUBJECT TO CHANGE AS NEEDED
AND WITH NOTICE TO THE CAD.***

**VALUATION METHODOLOGY SUMMARY
FOR
INDUSTRIAL PROPERTY
APPRAISED BY HUGH L. LANDRUM & ASSOCIATES, INC.
2017 - 2018**

A. Overview

This type of property consists of processing facilities and related personal property. Hugh L. Landrum & Associates, Inc. is contracted to reappraise this type of property annually for the appraisal district. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- B. both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- C. both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code.

The client for the mass appraisal is the Texas appraisal district named on the certification page of this report. The intended users of this report are the client and the property owners of the client appraisal district.

The appraisal results will be used as the tax base upon which a property tax will be levied. A listing of the industrial properties appraised by Hugh L. Landrum & Associates, Inc. for the appraisal district is available at the appraisal district office. Industrial properties are normally re-inspected annually.

Documents relevant to an understanding of these appraisals include the confidential rendition, if any, filed with the appraisal district by the owner or agent of the property; other reports described in the Texas Property Tax Code; asset lists and other confidential data supplied by the owner or agent; Property Appraisal & Assessment Administration published by the International Association of Assessing Officers and adopted by the Texas Comptroller of Public Accounts; and Engineering Valuation and Depreciation by Marston, Winfrey, and Hempstead; the Texas Property Tax Code and other codified statutes.

HLL&A's industrial appraisal staff includes Registered Professional Engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. Industrial appraisal staff stays abreast of current trends affecting industrial properties through review of published materials, attendance at conferences, course work, and continuing education. All industrial appraisers are registered with the Texas Department of Licensing & Regulation.

B. Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
4. All information in the appraisal documents has been obtained by members of HLL&A's staff or by other reliable sources.
5. The appraisals were prepared exclusively for ad valorem tax purposes.
6. The appraisers have inspected as far as possible, by observation, the improvements being appraised, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore no representations are made as to these matters unless specifically considered in an individual appraisal.

C. Data Collection and Validation

Data on the subject properties is collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other means which require confidentiality. HLL&A receives renditions from either the CAD or directly from the taxpayer. HLL&A is responsible for identifying the accounts that have been properly rendered to the CAD. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties, if any. Due to the unique nature of many industrial properties there is no standard data collection form or manual.

D. Market Data Availability

Market data is collected and maintained for each of the various industries appraised. This data includes, but is not limited to, cap rate studies and the supporting evidence, value allocation methodologies, cost tables and expense ratio data applicable to the specific industries being appraised. All non-proprietary and non-confidential market data is available to the CAD and to taxpayers upon request.

E. Identification of New Property

Identifying new industrial properties &/or new construction is the responsibility of HLL&A. This is accomplished through a variety of means including, but not limited to obtaining and reviewing building permit and abatement requests; a visual inspection of an area; the input from others in the County who might identify any new properties in the area.

F. Valuation Approach and Analysis

Industrial properties are appraised using replacement/reproduction cost new less depreciation models. Replacement costs are estimated from published sources, other publicly available information, and comparable properties. Reproduction costs are based on actual investment in the subject or comparable properties adjusted for typical changes in cost over time. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. Adjustments for functional and economic obsolescence may be made if utilization and income data for the subject property justify such. Income Approach models (direct capitalization and discounted cash flow) are also used when economic and/or subject property income information is available. Capitalization and discount rates are based on published capital costs for the industry of the subject property. A market data model based on typical selling prices per unit of capacity is also used when appropriate market sales information is available.

Because cost information is the most readily available type of data, the cost approach model is always considered and used. If sufficient data is available either of both of the other two models may also be considered and used. The market data and income approach models may need to be reduced by the value of the land in order to arrive at a value of improvements and personal property.

Model calibration in the cost approach involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model calibration in the market data approach involves adjusting sales prices of comparable properties to reflect the individual characteristics of the subject property.

The mathematical form of each model is described below.

Cost Approach

$$\text{RCN} - \text{PD} - \text{FO} - \text{EO} = \text{Cost Indicator of Value}$$

Where:

RCN = Replacement or Reproduction Cost New

PD = Physical Depreciation

FO = Function Obsolescence

EO = Economic Obsolescence

Income Approach

$$\text{PGR} - \text{VCL} - \text{FE} - \text{VE} = \text{NOI}$$

$$\text{NOI/R} = \text{Income Indicator of Value}$$

Where:

PGR = Potential Gross Rent

VCL = Vacancy and Collection Loss
FE = Fixed Expenses
VE = Variable Expenses
R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI
NOI for year n x DF for year n = PW of year n NOI
Net Reversion x DF for year n = PW of Reversion
Sum of PW's for all years 1 – n = Income Indicator of Value

Where:

NOI = Net Operating Income
DF = Discount Factor
PW = Present Worth
n = Last year of holding period

Market Data Approach

ASPCP/U = PU
ASPU x SU = Market Data Indicator of Value

Where:

ASPCP = Adjusted Sales Price of Comparable Property
U = Unit of Comparison
PU = Price per Unit of comparison
ASPU = Adjusted Sales Price per Unit of comparison
SU = Subject Property's number of Units of comparison

In reconciling multiple model results for a property the appraiser considers the model results that best address the individual characteristics of the subject property and that are based on the most reliable data while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Land valuation for industrial properties is the responsibility of appraisal district staff as is the highest and best use analysis of the site. Sites are analyzed for highest and best use as though they were vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

G. Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisal-to-sales ratios are the preferred method for measuring performance, however sales are very infrequent. Furthermore, market transactions normally occur for

multiple sites and include both real and personal property, tangible and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review.

H. Review, Verification & Evaluation by the CAD

Prior to submission of the Appraisal Roll to the ARB, the Chief Appraiser shall request a random sampling of appraisals from HLL&A. HLL&A shall provide the Chief Appraiser with the requested appraisals and all non-privileged and non-proprietary supporting data and review the information with the Chief Appraiser in order for the CAD to evaluate the appraisal results of HLL&A. The HLL&A appraiser responsible for each property sampled will review the appraisal, including but not limited to methodology, technique, data used and final outcome, with the Chief Appraiser or other employee of the CAD designated by the Chief Appraiser to review the contracted work. The Chief Appraiser or designee will verify that all assigned properties were indeed appraised and valued as set out in the contract and here-in and document any failure to do so, noting what if anything is required to fulfill the contract requirements.

Further, a computer-assisted statistical review of property value changes is also conducted at various times throughout the year allowing the CAD to verify that the properties called for in the Contract were appraised and values were entered. Finally, HLL&A will make any non-privileged and non-proprietary market data supporting the values of the properties it appraises, available to the CAD and for inspection by property owners on request.

I. Reappraisal Plan for Industrial Properties

Industrial Properties covered by the contract between the CAD and HLL&A shall be reappraised each year. For each year of the contract, the following activities will be undertaken for all industrial properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year, but in any event will be available as requested by the Chief Appraiser each year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Define market areas in the CAD, where applicable;
4. Identify property characteristics that affect property value in each market area or for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
5. If applicable, develop an appraisal model that reflects the relationship among the property characteristics affecting the value in each market area and determines the contribution of individual property characteristics;

6. Apply conclusions reflected in the model to the characteristics of the property appraised; and
7. Review the appraisal results to determine value.

Generally, industrial properties will be valued on a cost approach basis since these properties have a low frequency of being bought and sold in the open market. In addition, since these properties are owner occupied, the income information is difficult to obtain and rarely applicable to industrial properties.

**VALUATION METHODOLOGY SUMMARY
FOR
UTILITY, RAILROAD, AND PIPELINE PROPERTIES
APPRAISED BY HUGH L. LANDRUM & ASSOCIATES, INC.
2017 - 2018**

A. Overview

This type of property consists of operating property, excluding land, owned by utility, railroad, and pipeline companies, and related personal property and improvements. Hugh L. Landrum & Associates, Inc. is contracted to reappraise this type of property annually for the appraisal district. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- B. both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- C. both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code.

The client for the mass appraisal is the Texas appraisal district named on the certification page of this report. The intended users of this report are the client and the property owners of the client appraisal district

The appraisal results will be used as the tax base upon which a property tax will be levied. A listing of the utility, railroad, and pipeline properties appraised by Hugh L. Landrum & Associates, Inc. for the appraisal district is available at the appraisal district office. Such utility, railroad, and pipeline properties that are susceptible to inspection (e.g. compressor stations, pump stations, buildings, and power plants) are normally re-inspected at least every three years.

HLL&A's utility, railroad, and pipeline appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. The appraisal staff stays abreast of current trends affecting utility, railroad, and pipeline properties through review of published materials, attendance at conferences, course work, and continuing education. All appraisers are registered with the Texas Department of Licensing & Regulation.

B. Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers do not necessarily inspect every property every year.
4. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
5. All information in the appraisal documents has been obtained by members of HLL&A's staff or by other reliable sources.
6. The appraisals were prepared exclusively for ad valorem tax purposes.
7. The appraisers have inspected as far as possible, by observation, the improvements being appraised, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore no representations are made as to these matters unless specifically considered in an individual appraisal.

C. Data Collection and Validation

Data on the subject properties is collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other means which require confidentiality. HLL&A receives renditions from either the CAD or directly from the taxpayer. HLL&A is responsible for identifying the accounts that have been properly rendered to the CAD. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties. Due to the varied nature of utility, railroad, and pipeline properties there is no standard data collection form or manual.

D. Market Data Availability

Market data is collected and maintained for each of the various types of utility or pipeline being appraised. This data includes, but is not limited to, cap rate studies and the supporting evidence, value allocation methodologies, cost tables and expense ratio data applicable to the specific type of pipeline or utility company being appraised. All non-proprietary and non-confidential market data is available to the CAD and to taxpayers upon request.

E. Identification of New Property

Identifying new properties &/or new construction is the responsibility of HLL&A. This is accomplished through a variety of means including, but not limited to obtaining and reviewing building permit and abatement requests; a visual inspection of an area; the input from others in the County who might identify any new properties in the area.

F. Valuation Approach and Analysis

For all pipelines a value is calculated using a Replacement Cost New Less Depreciation (RCNLD) model. This involves first calculating the cost of building a new pipeline of equal utility using current prices. The Replacement Cost New (RCN) is a function of location, length, diameter, and composition. Depreciation is then subtracted from RCN to produce the final value estimate. Depreciation is defined as the loss of value resulting from any cause. The three common forms of depreciation are physical, functional, and economic. Physical depreciation is accounted for on the basis of the age of the subject pipeline. Functional and economic obsolescence (depreciation) can be estimated through the use of survivor curves or other normative techniques. Specific calculations to estimate abnormal functional and/or economic obsolescence can be made on the basis of the typical utilization of the subject pipeline. After deductions from RCN have been made for all three forms of depreciation the remainder is the RCNLD or cost approach model indicator of value.

In addition to the RCNLD indicator, a unit value model may also be used for those pipelines for which appropriate income statements and balance sheets are also available. Generally, this model is used for those pipelines that by regulation are considered to be common carriers. The unit value model must be calculated for the entire pipeline system. The unit value model typically involves an income approach to value and a rate base cost approach. The income approach is based on a projection of expected future typical net operating income (NOI). The projected NOI is discounted to a present worth using a current cost of capital that is both typical of the industry and reflective of the risks inherent in the subject property.

The unit value model cost approach is typically an estimation of the current rate base of the subject pipeline (total investment less book depreciation allowed under the current form of regulation). An additional calculation is made to detect and estimate economic obsolescence. Any economic obsolescence is deducted from the rate base cost less book depreciation to achieve a final cost indicator. The unit value model may also include a stock and debt approach in lieu of a market data approach. The stock and debt approach involves finding the total value of the owner's liabilities (equity and debt) and assuming that they are equal to the value of the assets. The two (or three, if the stock and debt approach is included) unit value indicators are then reconciled into a final unit appraisal model indicator of value. The unit value must then be reconciled with the RCNLD model indicator of value for the entire pipeline system being appraised. The final correlated value of the system can then be allocated among the various components of the system to determine the tax roll value for each pipeline segment.

Utility and railroad properties are appraised in a manner similar to pipeline except the RCNLD model is not used. For all three types of property (utility, railroad, and pipeline) the appraiser must first form an opinion of highest and best use. If the highest and best use of the operating property is the current use under current regulation, the unit value model is considered highly appropriate. If the highest and best use is something different, then the RCNLD model may be more appropriate. Compressor stations, pump stations, improvements, and related facilities are appraised using a replacement cost new less depreciation model.

Model calibration in the RCNLD model involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Model calibration in the unit

value cost approach involves the selection of the appropriate items to include in the rate base calculation and selection of the best measure of obsolescence, if any. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model calibration in the stock and debt approach involves allocating sales prices of debt and equity to reflect the contribution to value of the operating property of the subject company.

The mathematical form of each model is described below.

RCNLD Approach

$$RCN - PD - FO - EO = \text{RCNLD Indicator of Value}$$

Where:

RCN = Replacement or Reproduction Cost New

PD = Physical Depreciation

FO = Functional Obsolescence

EO = Economic Obsolescence

Unit Cost Approach

$$OC - AD - EO = \text{Unit Cost Approach Indicator of Value}$$

Where:

OC = Original Cost

AD = Allowed Depreciation

EO = Economic Obsolescence

Unit Income Approach

$$PGR - VCL - FE - VE = \text{NOI}$$

$$\text{NOI/R} = \text{Income Indicator of Value}$$

Where:

PGR = Potential Gross Rent

VCL = Vacancy and Collection Loss

FE = Fixed Expenses

VE = Variable Expenses

R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI

NOI for year n x DF for year n = PW of year n NOI

Net Reversion x DF for year n = PW of Reversion

Sum of PW's for all years 1 - n = Income Indicator of Value

Where:

NOI = Net Operating Income

DF = Discount Factor

PW = Present Worth

n = Last year of holding period

Stock and Debt Approach

MVE + MVD = Market Value of Assets

Where:

MVE = Market value of Equity

MVD = Market value of Debt

In reconciling multiple model results for a property the appraiser considers the model results that best address the individual characteristics of the subject property while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Land valuation for utility and pipeline properties is the responsibility of appraisal district staff as is the highest and best use analysis of the site. Sites are analyzed for highest and best use as though they were vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use. Railroad corridor land is included in the appraisal of the operating property. The highest and best use of railroad corridor land is presumed to be as operating property. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

The rate-base cost approach, stock and debt approach, and income approach models must be reduced by the value of the land in order to arrive at a value of improvements, personal property, and other operating property.

G. Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisals to sales ratios are the preferred method for measuring performance, however sales are very infrequent. Furthermore, market transactions normally occur for multiple sites and include both real and personal property, tangible and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review. Selected appraisal results are tested annually by the Property Tax Assistance Division of the Texas Comptroller's Office. The Comptroller's review as well as comparisons with single-property appraisals indicates the validity of the models as well as the calibration techniques employed.

H. Review, Verification & Evaluation by the CAD

Prior to submission of the Appraisal Roll to the ARB, the Chief Appraiser shall request a random sampling of appraisals from HLL&A. HLL&A shall provide the Chief Appraiser with the requested appraisals and all non-privileged and non-proprietary supporting data and review the information with the Chief Appraiser in order for the CAD to evaluate the appraisal results of HLL&A. The HLL&A appraiser responsible for each property sampled will review the appraisal, including but not limited to methodology, technique, data used and final outcome, with the Chief Appraiser or other employee of the CAD designated by the Chief Appraiser to review the contracted work. The Chief Appraiser or designee will verify that all assigned properties were indeed appraised and valued as set out in the contract and here-in and document any failure to do so, noting what if anything is required to fulfill the contract requirements.

Further, a computer-assisted statistical review of property value changes is also conducted at various times throughout the year allowing the CAD to verify that the properties called for in the Contract were appraised and values were entered. Finally, HLL&A will make any non-privileged and non-proprietary market data supporting the values of the properties it appraises, available to the CAD and for inspection by property owners on request.

I. Reappraisal Plan for Utility, Railroad & Pipeline Properties

Utility, Railroad & Pipeline Properties covered by the contract between the CAD and HLL&A shall be reappraised each year. For each year of the contract, the following activities will be undertaken for all Utility, Railroad & Pipeline properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year, but in any event will be available as requested by the Chief Appraiser each year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Define market areas in the CAD, where applicable;
4. Identify property characteristics that affect property value in each market area or for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
5. If applicable, develop an appraisal model that reflects the relationship among the property characteristics affecting the value in each market area and determines the contribution of individual property characteristics;
6. Apply conclusions reflected in the model to the characteristics of the property appraised; and
7. Review the appraisal results to determine value.

Generally, these types of properties will be valued as an entire unit and the result apportioned to the pieces in the whole.

**VALUATION METHODOLOGY SUMMARY
FOR
SPECIAL PURPOSE PROPERTIES
APPRAISED BY HUGH L. LANDRUM & ASSOCIATES, INC.
2017 - 2018**

A. Overview

This type of property consists of real property improvements that by the nature of their design and/or construction are suitable for a single use only. Hugh L. Landrum & Associates, Inc. is contracted to reappraise this type of property annually for the appraisal district. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- B. both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- C. both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code.

The client for the mass appraisal is the Texas appraisal district named on the certification page of this report. The intended users of this report are the client and the property owners of the client appraisal district.

The appraisal results will be used as the tax base upon which a property tax will be levied. A listing of the properties appraised by Hugh L. Landrum & Associates, Inc. for the appraisal district is available at the appraisal district office. Special purpose properties are normally re-inspected annually.

Documents relevant to an understanding of these appraisals include the confidential rendition, if any, filed with the appraisal district by the owner or agent of the property; other reports described in the Texas Property Tax Code; asset lists and other confidential data supplied by the owner or agent; Property Appraisal & Assessment Administration published by the International Association of Assessing Officers and adopted by the Texas Comptroller of Public Accounts; and Engineering Valuation and Depreciation by Marston, Winfrey, and Hempstead; the Texas Property Tax Code and other codified statutes.

HLL&A's industrial appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. Appraisal staff stays abreast of current trends affecting special purpose properties through review of published materials, attendance at conferences, course work, and continuing education. All appraisers are registered with the Texas Department of Licensing & Regulation.

B. Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. The appraisers do not necessarily inspect every property every year.
4. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
5. All information in the appraisal documents has been obtained by members of HLL&A's staff or by other reliable sources.
6. The appraisals were prepared exclusively for ad valorem tax purposes.
7. The appraisers have inspected as far as possible, by observation, the improvements being appraised, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore no representations are made as to these matters unless specifically considered in an individual appraisal.

C. Data Collection and Validation

Data on the subject properties is collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other means which require confidentiality. HLL&A receives renditions from either the CAD or directly from the taxpayer. HLL&A is responsible for identifying the accounts that have been properly rendered to the CAD. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties. Due to the unique nature of each special purpose property there is no standard data collection form or manual.

D. Market Data Availability

Market data, where available, is collected and maintained for each of the various industries appraised. This data includes, but is not limited to, cap rate studies and the supporting evidence, value allocation methodologies, cost tables and expense ratio data applicable to the specific industries being appraised. All non-proprietary and non-confidential market data is available to the CAD and to taxpayers upon request.

E. Identification of New Property

Identifying new special purpose properties &/or new construction is the responsibility of HLL&A. This is accomplished through a variety of means including, but not limited to obtaining and reviewing building permit and abatement requests; a visual inspection of an area; the input from others in the County who might identify any new properties in the area.

F. Valuation Approach and Analysis

Special purpose properties are appraised using replacement/reproduction cost new less depreciation models. Replacement costs are estimated from published sources, other

publicly available information, and comparable properties. Reproduction costs are based on actual investment in the subject or comparable properties. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. Adjustments for functional and economic obsolescence may be made if utilization and income data for the subject property justify such. Income Approach models (direct capitalization and discounted cash flow) are also used when economic and/or subject property income information is available. Capitalization and discount rates are based on published capital costs for the industry of the subject property. A market data model based on typical selling prices per unit of area, volume, or capacity is also used when appropriate market sales information is available.

Because cost information is the most readily available type of data, the cost approach model is always considered and used. If sufficient data is available either of both of the other two models may also be considered and used. The market data and income approach models must be reduced by the value of the land in order to arrive at a value of improvements and personal property.

Model calibration in the cost approach involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model calibration in the market data approach involves adjusting sales prices of comparable properties to reflect the individual characteristics of the subject property.

The mathematical form of each model is described below.

Cost Approach

$$RCN - PD - FO - EO = \text{Cost Indicator of Value}$$

Where:

RCN = Replacement or Reproduction Cost New

PD = Physical Depreciation

FO = Function Obsolescence

EO = Economic Obsolescence

Income Approach

$$PGR - VCL - FE - VE = NOI$$

$$NOI/R = \text{Income Indicator of Value}$$

Where:

PGR = Potential Gross Rent

VCL = Vacancy and Collection Loss

FE = Fixed Expenses

VE = Variable Expenses

R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI

NOI for year n x DF for year n = PW of year n NOI

Net Reversion x DF for year n = PW of Reversion

Sum of PW's for all years 1 – n = Income Indicator of Value

Where:

NOI = Net Operating Income

DF = Discount Factor

PW = Present Worth

n = Last year of holding period

Market Data Approach

ASPCP/U = PU

ASPU x SU = Market Data Indicator of Value

Where:

ASPCP = Adjusted Sales Price of Comparable Property

U = Unit of Comparison

PU = Price per Unit of comparison

ASPU = Adjusted Sales Price per Unit of comparison

SU = Subject Property's number of Units of comparison

In reconciling multiple model results for a property the appraiser considers the model results that best address the individual characteristics of the subject property while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Land valuation for industrial properties is the responsibility of appraisal district staff as is the highest and best use analysis of the site. Sites are analyzed for highest and best use as though they were vacant. Highest and best use analysis of the improvements is based on the likelihood of the continued use of the improvements in their current and/or intended use. Highest and best use analysis of these improvements is essential to an accurate appraisal. Identification of a highest and best use different from the current or intended use has a significant effect on the cost and market data models. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

The market data and income approach models must be reduced by the value of the land and perhaps personal property in order to arrive at a value of the improvements.

G. Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisal-to-sales ratios are the preferred method for measuring performance, however sales are very infrequent. Furthermore, market transactions normally occur for

multiple sites and include both real and personal property, tangible and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review.

H. Review, Verification & Evaluation by the CAD

Prior to submission of the Appraisal Roll to the ARB, the Chief Appraiser shall request a random sampling of appraisals from HLL&A. HLL&A shall provide the Chief Appraiser with the requested appraisals and all non-privileged and non-proprietary supporting data and review the information with the Chief Appraiser in order for the CAD to evaluate the appraisal results of HLL&A. The HLL&A appraiser responsible for each property sampled will review the appraisal, including but not limited to methodology, technique, data used and final outcome, with the Chief Appraiser or other employee of the CAD designated by the Chief Appraiser to review the contracted work. The Chief Appraiser or designee will verify that all assigned properties were indeed appraised and valued as set out in the contract and here-in and document any failure to do so, noting what if anything is required to fulfill the contract requirements.

Further, a computer-assisted statistical review of property value changes is also conducted at various times throughout the year allowing the CAD to verify that the properties called for in the Contract were appraised and values were entered. Finally, HLL&A will make any non-privileged and non-proprietary market data supporting the values of the properties it appraises, available to the CAD and for inspection by property owners on request.

I. Reappraisal Plan for Special Purpose Properties

Special Purpose Properties covered by the contract between the CAD and HLL&A shall be reappraised each year. For each year of the contract, the following activities will be undertaken for all special purpose properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year, but in any event will be available as requested by the Chief Appraiser each year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Define market areas in the CAD, where applicable;
4. Identify property characteristics that affect property value in each market area or for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
5. If applicable, develop an appraisal model that reflects the relationship among the property characteristics affecting the value in each market area and determines the contribution of individual property characteristics;

6. Apply conclusions reflected in the model to the characteristics of the property appraised; and
7. Review the appraisal results to determine value.

Like industrial properties, special purpose properties will be valued on a cost approach basis since these properties have a low frequency of being bought and sold in the open market. In addition, since these properties are owner occupied, the income information is difficult to obtain and rarely applicable.

**VALUATION METHODOLOGY SUMMARY
FOR
BUSINESS PERSONAL PROPERTY
APPRAISED BY HUGH L. LANDRUM & ASSOCIATES, INC.
2017 – 2018**

A. Overview

This type of property consists of tangible personal property owned by a business or individual for the purpose of producing an income. The Uniform Standards of Professional Appraisal practice define personal property as “identifiable portable and tangible objects which are considered by the general public as being ‘personal,’ e.g. furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all property that is not classified as real estate.” The Texas Property Tax Code (Sec. 1.04(5)) defines tangible personal property as “...personal property that can be seen, weighed, measured, felt, or otherwise perceived by the senses but does not include a document or other perceptible object that constitutes evidence of a valuable interest, claim, or right and has negligible or no intrinsic value.” The Texas Property Tax Code (Sec. 1.04(4)) defines personal property as “...property that is not real property.”

Hugh L. Landrum & Associates, Inc. is contracted to reappraise this type of property annually for the appraisal district. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). “Market value” means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- B. both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- C. both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

A separate definition of the value of inventory is found in the Texas Property Tax Code (Sec. 23.12(a)), “...the market value of an inventory is the price for which it would sell as a unit to a purchaser who would continue the business.” Additionally, some inventories may qualify for appraisal as of September 1 in accordance with the provisions of Texas Property Tax Code Section 23.12(f).

The effective date of the appraisals is January 1 of the year for which this report is submitted unless the property owner or agent has applied for and been granted September 1 inventory valuation as allowed by Section 23.12(f) of the Texas Property Tax Code.

The client for the mass appraisal is the Texas appraisal district named on the certification page of this report. The intended users of this report are the client and the property owners of the client appraisal district.

The appraisal results will be used as the tax base upon which a property tax will be levied. A listing of the personal property appraised by Hugh L. Landrum & Associates, Inc.

for the appraisal district is available at the appraisal district office. Personal property is normally re-inspected annually.

Documents relevant to an understanding of these appraisals include the confidential rendition, if any, filed with the appraisal district by the owner or agent of the property; other reports described in the Texas Property tax Code; asset lists and other confidential data supplied by the owner or agent; Property Appraisal & Assessment Administration published by the International Association of Assessing Officers and adopted by the Texas Comptroller of Public Accounts; and Engineering Valuation and Depreciation by Marston, Winfrey, and Hempstead; the Texas Property Tax Code and other codified statutes.

HLL&A's personal property appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. Personal property appraisal staff stays abreast of current trends affecting personal property through review of published materials, attendance at conferences, course work, and continuing education. All personal property appraisers are registered with the Texas Department of Licensing & Regulation.

B. Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
4. All information in the appraisal documents has been obtained by members of HLL&A's staff or by other reliable sources.
5. The appraisals were prepared exclusively for ad valorem tax purposes.

C. Data Collection and Validation

Data on the subject properties are collected as part of the inspection process and through later submissions by the property owner. Submitted data may be on a rendition form or in other means which require confidentiality. HLL&A receives renditions from either the CAD or directly from the taxpayer. HLL&A is responsible for identifying the accounts that have been properly rendered to the CAD. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties.

D. Market Data Availability

Market data is collected and maintained for the various types of business personal property appraised. This data includes, but is not limited to, cost indices and tables, depreciation schedules, and value allocation methodologies, applicable to the specific types of properties being appraised. All non-proprietary and non-confidential market data is available to the CAD and to taxpayers upon request.

E. Identification of New Property

Identifying new personal property is the responsibility of HLL&A. The most typical way to do this is through the rendition process mentioned above. Discovery of new property is also accomplished through a variety of other means including, but not limited to obtaining and reviewing building permits and abatement requests; a visual inspection of an area; the input from others in the County who might identify any new properties in the area.

F. Valuation Approach and Analysis

Personal property is appraised using replacement/reproduction cost new less depreciation models. Replacement costs are estimated from published sources, other publicly available information, and comparable properties. Reproduction costs are based on actual investment in the subject or comparable properties. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the experience of knowledgeable appraisers. Adjustments for functional and economic obsolescence may be made if utilization and income data for the subject property justify such. Income Approach models (direct capitalization and discounted cash flow) are also used when economic and/or subject property income information is available. Capitalization and discount rates are based on published capital costs for the industry of the subject property. A value estimate derived from an income approach model in which the operating income of a business was capitalized must be reduced by the value of any real property in order to arrive at the value of the operating personal property. A market data model based on typical selling prices per item or unit of capacity is also used when appropriate market sales information is available. In the case of some personal property types, such as licensed vehicles, market data from published pricing guides is used to construct a market value model. In other cases, models are based on sales information available through published sources or through private sources.

Because cost information is the most readily available type of data, the cost approach model is always considered and used. If sufficient data is available either of both of the other two models may also be considered and used. The market data and income approach models may need to be reduced by the value of the land in order to arrive at a value of improvements and personal property.

Model calibration in the cost approach involves the selection of the appropriate service life for each type or class of property. Further calibration can occur through the use of utilization or through-put data provided by the owner or agent. Income approach calibration involves the selection of the cost of capital or discount rate appropriate to the type of property being appraised as well as adjusting the projected income stream to reflect the individual characteristics of the subject property. Model calibration in the market data approach involves adjusting sales prices of comparable properties to reflect the individual characteristics of the subject property.

The mathematical form of each model is described below.

Cost Approach

$$RCN - PD - FO - EO = \text{Cost Indicator of Value}$$

Where:

RCN = Replacement or Reproduction Cost New

PD = Physical Depreciation
FO = Function Obsolescence
EO = Economic Obsolescence

Income Approach

$PGR - VCL - FE - VE = NOI$
NOI/R = Income Indicator of Value

Where:
PGR = Potential Gross Rent
VCL = Vacancy and Collection Loss
FE = Fixed Expenses
VE = Variable Expenses
R = Discount Rate or Cost of Capital

A variation of the income model is:

NOI for year 1 x DF for year 1 = PW of year 1 NOI
NOI for year n x DF for year n = PW of year n NOI
Net Reversion x DF for year n = PW of Reversion
Sum of PW's for all years 1 – n = Income Indicator of Value

Where:
NOI = Net Operating Income
DF = Discount Factor
PW = Present Worth
n = Last year of holding period

Market Data Approach

$ASPCP/U = PU$
 $ASPU \times SU = \text{Market Data Indicator of Value}$

Where:
ASPCP = Adjusted Sales Price of Comparable Property
U = Unit of Comparison
PU = Price per Unit of comparison
ASPU = Adjusted Sales Price per Unit of comparison
SU = Subject Property's number of Units of comparison

In reconciling multiple model results for a property the appraiser considers the model results that best address the individual characteristics of the subject property and that are based on the most reliable data while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Highest and best use analysis of personal property is based on the likelihood of the continued use of the personal property in its current and/or intended use. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

G. Review and Testing

Field review of appraisals is performed through the regular inspection of subject properties. The periodic reassignment of properties among appraisers or the review of appraisals by an experienced appraiser also contributes to the review process. A computer-assisted statistical review of property value changes is also conducted.

Appraisal-to-sales ratios are the preferred method for measuring performance and are used when possible. However sales for some types of personal property are very infrequent. Furthermore, many market transactions occur for multiple sites and include both real and personal property, tangible and intangible, making analysis difficult and subjective. Performance is also measured through comparison with valid single-property appraisals submitted for staff review.

H. Review, Verification & Evaluation by the CAD

Prior to submission of the Appraisal Roll to the ARB, the Chief Appraiser shall request a random sampling of appraisals from HLL&A. HLL&A shall provide the Chief Appraiser with the requested appraisals and all non-privileged and non-proprietary supporting data and review the information with the Chief Appraiser in order for the CAD to evaluate the appraisal results of HLL&A. The HLL&A appraiser responsible for each property sampled will review the appraisal, including but not limited to methodology, technique, data used and final outcome, with the Chief Appraiser or other employee of the CAD designated by the Chief Appraiser to review the contracted work. The Chief Appraiser or designee will verify that all assigned properties were indeed appraised and valued as set out in the contract and here-in and document any failure to do so, noting what if anything is required to fulfill the contract requirements.

Further, a computer-assisted statistical review of property value changes is also conducted at various times throughout the year allowing the CAD to verify that the properties called for in the Contract were appraised and values were entered. Finally, HLL&A will make any non-privileged and non-proprietary market data supporting the values of the properties it appraises, available to the CAD and for inspection by property owners on request.

I. Reappraisal Plan for Business Personal Properties

Business Personal Properties covered by the contract between the CAD and HLL&A shall be reappraised each year. For each year of the contract, the following activities will be undertaken for all business personal properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year, but in any event will be available as requested by the Chief Appraiser each year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, or renditions;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Identify property characteristics that affect property value for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;

- c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
4. Develop or update a cost schedule based on SIC codes and market conditions;
 5. Create or refine valuation models using actual cost data to derive the RCN of a particular unit;
 6. Apply these schedules and models to estimate values; and
 7. Review the rendition information in light of the schedules to determine value.

Business personal properties are required to be rendered and will be typically be valued on a cost approach basis.

**VALUATION METHODOLOGY SUMMARY
FOR
MINERAL PROPERTIES
APPRAISED BY HUGH L. LANDRUM & ASSOCIATES, INC.
2017 - 2018**

A. Overview

This type of property consists of operating property, excluding land, owned by any number of working, royalty and overriding interest owners and related personal property. Hugh L. Landrum & Associates, Inc. is contracted to reappraise this type of property annually for the appraisal district. The completed appraisals are all retrospective in nature. The purpose of the appraisals is to estimate market value as of January 1 in accordance with the definition of market value established in the Texas Property Tax Code (Sec. 1.04). "Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- B. both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- C. both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The effective date of the appraisals is January 1 of the year for which this report is submitted.

The client for the mass appraisal is the Texas appraisal district named on the certification page of this report. The intended users of this report are the client and the property owners of the client appraisal district

The appraisal results will be used as the tax base upon which a property tax will be levied. A listing of the mineral properties appraised by Hugh L. Landrum & Associates, Inc. for the appraisal district is available at the appraisal district office. Such mineral properties that are susceptible to inspection are normally re-inspected at least every three years.

HLL&A's mineral appraisal staff includes licensed engineers as well as experienced appraisers who are knowledgeable in all three approaches to value. The appraisal staff stays abreast of current trends affecting mineral properties through review of published materials, attendance at conferences, course work, and continuing education. All appraisers are registered with the Texas Department of Licensing & Regulation.

B. Assumptions and Limiting Conditions

All appraisals are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

3. The appraisers do not necessarily inspect every property every year.
4. All sketches on the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
5. All information in the appraisal documents has been obtained by members of HLL&A's staff or by other reliable sources.
6. The appraisals were prepared exclusively for ad valorem tax purposes.
7. The appraisers have inspected as far as possible, by observation, the improvements being appraised, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore no representations are made as to these matters unless specifically considered in an individual appraisal.

C. Data Collection and Validation

Data on the subject properties is collected as part of the inspection process and through later submissions by the property owner. Production rates for each lease are developed using monthly production reported to the Railroad Commission of Texas. Monthly lease volumes sold and the income received for them, as reported to the Comptroller's Office for severance tax purposes, are used to develop product prices and also to estimate the previous year's income.

Submitted data may be on a rendition form or in other means which require confidentiality. HLL&A receives renditions from either the CAD or directly from the taxpayer. HLL&A is responsible for identifying the accounts that have been properly rendered to the CAD. Subject property data is verified through previously existing records and through published reports. Additional data are obtained and verified through published sources, regulatory reports, and through analysis of comparable properties. Due to the varied nature of mineral properties there is no standard data collection form or manual.

D. Market Data Availability

Market data is collected and maintained for each of the various types of mineral leases appraised. This data includes, but is not limited to, discount rate studies and the supporting evidence, cost of capital information and typical capital structures for the type and area being appraised, lease operating expense data, salvage value data and property and severance tax rate data. All non-proprietary and non-confidential market data is available to the CAD and to taxpayers upon request.

E. Identification of New Property

Identifying new mineral properties is the responsibility of HLL&A. This is accomplished through a variety of means including, but not limited to obtaining and reviewing monthly production updates from the Railroad Commission and comparing the data to the lease information already being appraised; a visual inspection of an area where production is suspected; the polling of operators in the County to see if they can identify any new producing leases or new operators in the area.

F. Valuation Approach and Analysis

The appraisal of mineral properties is based on an income approach to value. This entails estimating the remaining future reserves of the property and the timing of how those reserves will be recovered. This estimation of future production along with the estimation of future pricing generates an estimated yearly income that is discounted to current day dollars. Each succeeding year's income is more heavily discounted than the previous, thus rendering less and less value contribution with each succeeding year. Each mineral lease is valued as a whole. The value of each interest owned within that lease is then determined from this total, based on the type of interest owned and the decimal interest owned in the lease.

The mathematical form of the income model is described below.

Unit Income Approach

NOI for year 1 x DF for year 1 = PW of year 1 NOI
NOI for year n x DF for year n = PW of year n NOI
Net Reversion x DF for year n = PW of Reversion
Sum of PW's for all years 1 - n = Income Indicator of Value

Where:

NOI = Net Operating Income
DF = Discount Factor
PW = Present Worth
n = Last year of holding period

Section 23.175 (a) of the Texas Property Tax Code reads as follows: "If a real property interest in oil or gas in place is appraised by a method that takes into account the future income from the sale of oil or gas to be produced from the interest, the method must use the average price of the oil or gas from the interest for the preceding calendar year multiplied by a market condition factor as the price at which the oil or gas produced from the interest is projected to be sold in the current year of the appraisal."

Section 23.175 also requires that the Comptroller shall calculate the market condition factor, as well as the price escalators/de-escalators that are to be used each year. All prices are determined according to Section 23.175. Further, the Comptroller's methods and procedures for discounting future income from the sale of oil or gas are also used.

In reconciling results for a given property, the appraiser considers the model results that best address the individual characteristics of the subject property while maintaining equalization among like properties. Final results for each property may be found on the appraisal district's appraisal roll.

Land valuation for mineral properties is the responsibility of appraisal district staff. Valuation of the surface estate rarely effects the valuation of the underlying mineral estate.

G. Review and Testing

Appraisal results are tested annually by the Property Tax Assistance Division of the Texas Comptroller's Office. The Comptroller's review as well as comparisons with single-property appraisals indicates the validity of the model and techniques employed.

At various times throughout the year, at the request of the Chief Appraiser, HLL&A provides an updated list from the Railroad Commission in order for the CAD to compare to the list of leases already being appraised by HLL&A for the CAD. In this way, the CAD can verify that HLL&A is indeed discovering all taxable mineral properties in its discovery process.

H. Review, Verification & Evaluation by the CAD

Prior to submission of the Appraisal Roll to the ARB, the Chief Appraiser shall request a random sampling of appraisals from HLL&A. HLL&A shall provide the Chief Appraiser with the requested appraisals and all non-privileged and non-proprietary supporting data and review the information with the Chief Appraiser in order for the CAD to evaluate the appraisal results of HLL&A. The HLL&A appraiser responsible for each property sampled will review the appraisal, including but not limited to methodology, technique, data used and final outcome, with the Chief Appraiser or other employee of the CAD designated by the Chief Appraiser to review the contracted work. The Chief Appraiser or designee will verify that all assigned properties were indeed appraised and valued as set out in the contract and here-in and document any failure to do so, noting what if anything is required to fulfill the contract requirements.

At various times throughout the year, at the request of the Chief Appraiser, HLL&A provides an updated list from the Railroad Commission in order for the CAD to compare to the list of leases already being appraised by HLL&A for the CAD. In this way, the CAD can verify that HLL&A is indeed discovering all taxable mineral properties in its discovery process.

Further, a computer-assisted statistical review of property value changes is also conducted at various times throughout the year allowing the CAD to verify that the properties called for in the Contract were appraised and values were entered. Finally, HLL&A will make any non-privileged and non-proprietary market data supporting the values of the properties it appraises, available to the CAD and for inspection by property owners on request.

I. Reappraisal Plan for Mineral Properties

Mineral Properties covered by the contract between the CAD and HLL&A shall be reappraised each year. For each year of the contract, the following activities will be undertaken for all business personal properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year, but in any event will be available as requested by the Chief Appraiser each year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including Railroad Commission filings, deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Identify and update all ownership information of each property;
4. Identify property characteristics that affect property value for each property, including:

- a. The location of the property;
 - b. Physical attributes of the property such as production history, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
5. Identify the preceding year's average price and lease operating expenses;
 6. Calculate the starting rates and price and apply them to the decline curve; and
 7. Review the appraisal results to determine value.

Generally, these types of properties will be valued on an income approach basis, using the Comptroller's and statutory guidelines as to price and discount rate.

Hugh L. Landrum & Associates, Inc.

Reappraisal Plan by Property Type

INTRODUCTION

Hugh L. Landrum & Associates, Inc. is a Registered Professional Engineering Firm in the State of Texas specializing in the mass appraisal of complex properties. In this role HLL&A recommends values to its client appraisal districts.

Pursuant to the Texas Property Tax Code, each Appraisal District is required to implement a biennial reappraisal plan. As a contractor to the Appraisal District, Hugh L. Landrum & Associates, Inc. provides this reappraisal plan in an effort to assist the taxpayers of the county in understanding the methods by which their properties are being valued; and to further aid the CAD in satisfying its requirements under the Code and those of the Comptroller's Property Tax Assistance Division.

***THIS MANUAL IS SUBJECT TO CHANGE WITHOUT NOTICE.
IT IS ROUTINELY UPDATED TO MEET THE REQUIREMENTS OF
THE LEGISLATURE, THE COMPTROLLER AND OUR CLIENTS.***

PLAN FOR PERIODIC REAPPRAISAL

INDUSTRIAL PROPERTIES:

Each year the following activities will be undertaken for all industrial properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Define market areas in the CAD, where applicable;
4. Collect, update, review and analyze market data to be used to support values on properties appraised;
5. Identify property characteristics that affect property value in each market area or for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
6. If applicable, develop an appraisal model that reflects the relationship among the property characteristics affecting the value in each market area and determines the contribution of individual property characteristics;
7. Apply conclusions reflected in the model to the characteristics of the property appraised; and

8. Review the appraisal results to determine value.

Generally, industrial properties will be valued on a cost approach basis since these properties have a low frequency of being bought and sold in the open market. In addition, since these properties are owner occupied, the income information is difficult to obtain and rarely applicable to industrial properties.

UTILITY, RAILROAD & PIPELINE PROPERTIES:

Each year the following activities will be undertaken for all utility, railroad and pipeline properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Define market areas in the CAD, where applicable;
4. Collect, update, review and analyze market data to be used to support values on properties appraised;
5. Identify property characteristics that affect property value in each market area or for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
6. If applicable, develop an appraisal model that reflects the relationship among the property characteristics affecting the value in each market area and determines the contribution of individual property characteristics;
7. Apply conclusions reflected in the model to the characteristics of the property appraised; and
8. Review the appraisal results to determine value.

Generally, these types of properties will be valued on an income approach basis, being valued as an entire unit and the result apportioned to the pieces in the whole.

SPECIAL PURPOSE PROPERTIES:

Each year the following activities will be undertaken for all special purpose improvements assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;

3. Define market areas in the CAD, where applicable;
4. Collect, update, review and analyze market data to be used to support values on properties appraised;
5. Identify property characteristics that affect property value in each market area or for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
6. If applicable, develop an appraisal model that reflects the relationship among the property characteristics affecting the value in each market area and determines the contribution of individual property characteristics;
7. Apply conclusions reflected in the model to the characteristics of the property appraised; and
8. Review the appraisal results to determine value.

Like industrial properties, special purpose properties will be valued on a cost approach basis since these properties have a low frequency of being bought and sold in the open market. In addition, since these properties are owner occupied, the income information is difficult to obtain and rarely applicable.

BUSINESS & INDUSTRIAL TANGIBLE PERSONAL PROPERTIES:

Each year the following activities will be undertaken for all business personal property assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, or renditions;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Collect, update, review and analyze market data to be used to support values on properties appraised;
4. Identify property characteristics that affect property value for each property, including:
 - a. The location and market area of the property;
 - b. Physical attributes of the property such as size, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
5. Develop or update a cost schedule based on SIC codes and market conditions;
6. Create or refine valuation models using actual cost data to derive the RCN of a particular unit;
7. Apply these schedules and models to estimate values; and
8. Review the rendition information in light of the schedules to determine value.

Business personal properties are required to be rendered and will be typically be valued on a cost approach basis.

MINERAL PROPERTIES:

Each year the following activities will be undertaken for all mineral properties assigned to HLL&A under its contract with the CAD. Estimates of value are typically provided to the CAD in mid to late May of each Tax Year.

1. Identify properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps and/or property sketches;
2. Identify and update relevant characteristics of each property in the property records of the CAD;
3. Collect, update, review and analyze market data to be used to support values on properties appraised;
4. Identify and update all ownership information of each property, as available;
5. Identify property characteristics that affect property value for each property, including:
 - a. The location of the property;
 - b. Physical attributes of the property such as production history, age and condition;
 - c. Legal and economic attributes, if any;
 - d. Easements, covenants, leases, reservations, contracts, declarations, special assessments, exemptions or legal restrictions;
6. Identify the preceding year's average price and lease operating expenses;
7. Calculate the starting rates and price and apply them to the decline curve; and
8. Review the appraisal results to determine value.

Generally, these types of properties will be valued on an income approach basis, using the Comptroller's and statutory guidelines as to price and discount rate.

**EAGLE PROPERTY TAX
APPRAISAL & CONSULTING, Inc.**

REAPPRAISAL PLAN

2017 - 2018

INTRODUCTION

Passage of Senate Bill 1652 amended Section 6.05 of the Texas Property Tax Code by adding Subsection (i) to read as follows:

- (i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the plan. Not later than the 10th day before the date of the hearing, the secretary shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of the hearing. Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the Comptroller within sixty (60) days of the approval date.

PLAN FOR PERIODIC REAPPRAISAL REQUIREMENT:

Senate Bill 1652 amends Section 25.18, Subsections (a) and (b) to read as follows:

- (a) Each appraisal office shall implement the Plan for Periodic Reappraisal of Property approved by the board of directors under Section 6.05 (i).
- (b) The plan shall provide for the following reappraisal activities for all real and Personal property in the district at least once every three years:
 1. identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;
 2. identifying and updating relevant characteristics of each property in the appraisal records;
 3. defining market areas in the district
 4. identifying property characteristics that affect property value in each market area, including
 - A. the location and market area of property;
 - B. physical attributes of property such as size, age, and condition;
 - C. legal and economic attributes; and
 - D. easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions;
 5. developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
 6. applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
 7. reviewing the appraisal results to determine value.

REVALUATION DECISION (REAPPRAISAL CYCLE)

Pursuant to Sec. 25.18 of the Property Tax Code, the Appraisal District has established a reappraisal plan to provide for the reappraisal of all properties within the district at least once every three years (for more specific instruction, see Work Plan). These proposed reappraisals are subject to market conditions and unforeseen events. Please see the 2017-2018 Biennial Reappraisal Plan Map on page 78 of the reappraisal plan.

Bandera CAD is divided into three reappraisal areas. Each year, all real, residential and commercial property within one of these areas is to be reappraised, regardless of any ratio study findings. In addition to the reappraisal areas stated, ratio studies are performed annually to determine areas or categories of properties within the CAD that need to be reappraised within the current year based on sales ratios. Any area or category whose ratios are below statutory requirements shall be reappraised in the current year, regardless of the area in which they are located.

Every tax year, the District inspects and appraises new construction and adds those properties to the appraisal roll. The district also inspects and reappraises properties that have been remodeled or demolished, properties with additions, properties with fire damage, or properties with any change or damage. These changes are found through building permits issued by the city and county engineer. Throughout the year, notes are made on any visual changes to properties and a recheck is placed in the account for the field appraiser. The field appraisers will also conduct detailed field inspections of properties if requested by the owner and reappraise these properties as necessary. The District is contracted with Eagle Property Tax Appraisal & Consulting, Inc. to perform the appraisals and field inspections on commercial properties within the district.

Eagle Property Tax Appraisal & Consulting, Inc. receives sales information from the district and compiles a sales file of its own. Problematic areas require additional research and may indicate the need for additional market modifiers. The use of these modifiers is the predominant method of adjusting sales for location and time. Values throughout the county may be adjusted by use of market modifiers during the reappraisal year.

PLANNING AND ORGANIZATION

A calendar of events with important dates prepared for each reappraisal year. It runs from August 2016 through December 2019. This calendar identifies key events for appraisal, clerical, customer service, information systems, Property Tax Code requirements and administrative dates. A written work plan outline for each reappraisal year is also included. The workplan included important and critical start and end dates for phases of the reappraisal process.

The workplan outline for 2017, 2018 and 2019 is included in the plan. Production standards for field activities are calculated and incorporated in the planning and scheduling process. Refer to the District's timeline and schedule in the Written Plan for Periodic Reappraisal.

Eagle Property Tax Appraisal & Consulting, Inc. will begin field inspections of the District's scheduled reappraisal area on or about January 9, 2017 and will complete all inspections and schedules by April 15, 2017 for the 2017 tax year. Eagle Property Tax Appraisal & Consulting,

Inc. will begin field inspections of the District's scheduled reappraisal area on or about the first Tuesday following Labor Day in September, 2017 and will complete all inspections and schedules by April 1, 2018 for the 2018 tax year.

The District shall provide to Eagle Property Tax Appraisal & Consulting, Inc. appraisers the field cards that contain specific information regarding the property being appraised. These cards contain brief legal descriptions, ownership interests, property use codes, property addresses, land size, and sketches of improvements as well as detailed information of any improvements. Appraisal field inspection procedures require the appraisers to check all information on the field cards and to update the information when necessary. All new improvements shall be measured, classed, and assigned the appropriate depreciation amount. Structures that have been demolished or removed shall be marked off the appraisal card. Properties with extensive improvement remodeling shall be identified and the field inspection shall identify and update the property characteristic data. The appraiser shall note the date of the inspection on the card and place his initials on the card. The appraiser shall take pictures, with each picture having a date, and note the picture number on the appraisal card.

Each year, Eagle Property Tax Appraisal & Consulting, Inc. will test real property market areas, by property classification. The market areas shall be tested for low or high ratio sales and/or high coefficients of dispersion. Market areas that fail any or all of these tests are determined to be problematic. Field inspections are scheduled to verify and/or correct property characteristic data. Additional sales data is researched and verified.

The International Association of Assessing Officers' Standard on Mass Appraisal of Real Property specifies that the universe of properties shall be re-inspected on a cyclical basis of at least once every three years. The re-inspection includes physically viewing the property, photographing, and verifying the accuracy of the existing data. The annual re-inspection requirements for tax years 2017 and 2018 are identified and scheduled in the District's Written Plan for Periodic Reappraisal. Eagle Property Tax Appraisal & Consulting, Inc. also has a workplan for each appraisal year and is attached to this document.

In addition to the three-year cycle set out by the District's reappraisal plan, Eagle Property Tax Appraisal & Consulting, Inc. will perform ratio studies for commercial properties annually to determine areas of properties within the CAD which need to be reappraised within the current year based on ratios. Any areas whose ratios are above or below statutory requirements shall be reappraised in the current year regardless of the area in which they are located. This approach will insure that all commercial property within the CAD is reappraised at least once every three years.

MASS APPRAISAL SYSTEM

REAL PROPERTY VALUATION

Revisions to cost models, income models, and market models are specified, updated, and tested each year.

Cost schedules are tested with market data (sales) to insure that the appraisal district is in compliance with Texas Property Tax Code, Section 23.011. Replacement cost new tables as well as depreciation tables are tested for accuracy and uniformity using ratio study tools and compared with cost data from recognized industry leaders. Eagle Property Tax Appraisal & Consulting, Inc. utilizes the national publication of cost schedules of Marshall & Swift.

Land Schedules are updated using current market data (sales) and then tested with ratio study tools. Value schedules are developed and tested on a pilot basis with ratio study tools.

PERSONAL PROPERTY VALUATION

Eagle Property Tax Appraisal & Consulting does not perform personal property valuations in Bandera CAD.

HEARING PROCESS

Eagle Property Tax Appraisal & Consulting, Inc. representatives conduct informal hearings with protesting property owners. If the protest cannot be settled within the guidelines set out by the District's informal hearings procedures, the property owner may elect to proceed to a formal hearing before the Appraisal Review Board.

Eagle Property Tax Appraisal & Consulting, Inc. representatives will be present at formal ARB hearings and will present and defend the appraisals performed. Further, Eagle Property Tax Appraisal & Consulting, Inc. will provide to the District the calculations of schedules and final schedules.

**BANDERA CAD
2017 WORK PLAN OUTLINE
YR2**

I. Commercial Properties

- 1) Field inspect all commercial properties within YR2, verifying accuracy of all existing data
- 2) Review commercial schedules, adjust as indicated
- 3) Continue to develop neighborhood coding for similar and like commercial properties

Field Review: Field Appraisers
Eagle Consulting Staff

Office Review: Chief Appraiser
Time frame: January 9, 2017 thru April 15, 2017

**BANDERA CAD
2018 WORK PLAN OUTLINE
YR3**

I. Commercial Properties

- 1) Field inspect all commercial properties within YR3 and YR1, verifying accuracy of all existing data
- 2) Review commercial schedules, adjust as indicated
- 3) Continue to develop neighborhood coding for similar and like commercial properties

: Field Review: Field Appraisers
Eagle Consulting Staff

Office Review: Chief Appraiser
Time frame: August 1, 2017 thru April 15, 2018

**BANDERA CAD
2019 WORK PLAN OUTLINE
YR1**

I. Commercial Properties

- 4) Field inspect all commercial properties within YR2 verifying accuracy of all existing data
- 5) Review commercial schedules, adjust as indicated
- 6) Continue to develop neighborhood coding for similar and like commercial properties

Personnel: Field Review: Field Appraisers
Eagle Consulting Staff

Office Review: Chief Appraiser
Time frame: August 1, 2018 thru April 15, 2019