

**2023 2024**

**REAPPRAISAL PLAN  
AND SUPPORTING DOCUMENTS**

**FOR THE**

**ARANSAS COUNTY  
APPRAISAL DISTRICT**

**AS ADOPTED BY THE BOARD OF DIRECTORS**

**\*\*\*September 1, 2022\*\*\***

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## ***EXECUTIVE SUMMARY***

The Texas Property Tax Code requires each appraisal district publish a written Reappraisal Plan no later than the 15<sup>th</sup> of September every even numbered year. The Aransas County Appraisal District strives to present the information contained herein in such a way that the reader of this plan will have a clear understanding of how and when we appraise property within our jurisdiction.

The Aransas County Appraisal District is an independent political subdivision within Aransas County. We appraise all taxable property located within the boundaries of the county annually. The Board of Directors of the Aransas County Appraisal District is the governing body of the District and its members are appointed by our local taxing authorities. Their primary function is to ensure that the District has the resources to perform the task of producing accurate appraisals as outlined in the Texas Property Tax Code. Other duties of the Board of Directors include adopting an annual budget and the adoption of policies that provide for the general operation of the District.

The Chief Appraiser is appointed by the Board of Directors and is the Executive Officer in charge of the daily operations of the District. The Chief Appraiser hires the staff for the district and is responsible for the production of the appraisal roll used by the entities to adopt tax rates. Other responsibilities include supervision of the staff and maintenance of the facilities of the District.

The District as of January 1<sup>st</sup>, 2023 appraises property for 11 taxing jurisdictions. The following is a list of those taxing authorities.

Aransas County (including Road & Flood District)

Aransas County Independent School District

Aransas Pass Independent School District

Port Aransas Independent School District

City of Rockport

Town of Fulton

City of Aransas Pass

Aransas County MUD#1

Aransas County Navigation District

Lamar Improvement District

Aransas County is one of the smallest land mass counties in the state. However, when parcel count is taken into consideration we are right in the middle of all Texas counties with approximately 29,500 parcels. The 2022 certified property value in Aransas County was in excess of 5.2 billion dollars of real and personal property placing Aransas County near the median of appraised values of all Texas counties.

The Appraisal Review Board consists of five members appointed by the Board of Directors. They serve staggered terms and are limited to three two year terms. To be eligible to serve on the ARB the individual must have been a resident of the county for at least two years. The ARB is responsible for the approval of the appraisal records. They also are the first formal avenue of dispute resolution between property owners and the District. Other responsibilities include correcting errors in the appraisal roll, acting on supplemental changes to the certified roll and making determinations on the proper application of exemptions and special appraisals.

The District relies on the advice of the Agricultural Advisory board for the information necessary to produce the agricultural values used in the special appraisals on those qualified properties. Each board member gathers information and relays their finding to the chief appraiser in periodic meetings. The chief appraiser then uses that information and consulting services from Pritchard & Abbott to develop the net to land calculations used in these appraisals.

The calendar in this plan serves as a guideline to complete the annual reappraisal of properties located in the District. The Chief Appraiser may deviate from dates listed in the plan to meet the requirements of the Tax Code. If the timeline dates require significant restructure, an amendment will be made to the plan and attached to this document.

## ***TAX CODE REQUIREMENT***

Passage of S. B. 1652 amended the Tax Code to require a written biennial reappraisal plan. The following details the changes to the Tax Code:

### **The Written Plan**

Section 6.05, Tax Code, is amended 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 proposed plan. Not later than the 10<sup>th</sup> 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.

## Plan for Periodic Reappraisal

Subsections (a) and (b), Section 25.18, Tax Code, are amended 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:

*The Aransas County Appraisal District receives listings of all deeds filed with the County Clerk's office. The deeds are reviewed by the clerical staff. Information is recorded in the computer assisted mass appraisal (CAMA) software including grantor, grantee, date of recording, volume, and page in the County Clerk's records. Property identification numbers are assigned to each parcel of property that remain with the property for its life.*

*Business Personal Property is located by canvassing the county street by street, using data sources such as advertisements, sales tax permit holder lists, websites, and other business listing publications to ensure that all businesses are located. All businesses are mailed a rendition about January 1 of each year. Owners are required by state law to render all their business personal property each year. Failure to timely render can result in a 10% tax penalty. A possible 50% penalty can be assessed in the event that fraud is proven. Lists of commercial vehicles are also purchased annually and these vehicles are linked to appropriate business accounts.*

*Heavy industrial plants, utilities, pipelines, and oil and gas leases are contracted to be appraised by a professional appraisal firm; currently with Pritchard & Abbott, of Fort Worth, Texas. They gather information from numerous sources, inspect properties assigned to them, and appraise those properties using the specialized methods commonly used in this specialized field.*

*Maps have been developed for years that show ownership lines for all real estate. These maps are stored digitally using CAMA software from Harris Govern. Aerial photography is taken annually that enables the district employees to view parcels of property from angles as well as straight down. The data and its maintenance are performed by the mapping department of Aransas CAD and by a contract with the mapping department of Harris Govern.*

(2) Identifying and updating relevant property characteristics of each property in the appraisal records;

*Most real estate is physically reviewed every year. Appraisers drive to neighborhoods within the towns and cities of Aransas County and gather data about each home, commercial business, or vacant land tract using tablet computers. The appraisers review each property noting the condition of the property make any changes to the property since the previous review. Pictures of the improved property that have been previously captured and stored in the CAMA software and Pictometry assist the appraiser in making value decisions after returning to the office. Other data stored in the CAMA system includes an exterior sketch of the improvement (structure or building) which allows the computer system to calculate square footage for the various areas of the improvement. Components of the improvement such as fireplaces, air conditioning, type of roof, type of exterior, etc. are listed and appropriate values are assigned by the CAMA system. The rural areas of the county are driven out each year as appraisers look for newly constructed properties and remodels since there is no county-wide permit system.*

(3) Defining market areas in the district;

*Annually, appraisers review and combine similar types of property into “neighborhoods”. These neighborhoods have improvements that are of similar construction and type as well as similar years of construction. Market sales may be examined to confirm which areas are similar. In apartments, commercial retail, wholesale, and service retail, the properties are categorized by market demand. Trade areas with similar rents, quality, and age are combined to analyze and apply sales and rental data.*

*Land is also put into regions or neighborhoods with other parcels that have similar characteristics such as water front, water view, rural acreage, size, topography, location, and other characteristics recognized as significant. Using these neighborhoods, values are applied uniformly to all similar parcels.*

(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 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;

*Each parcel of property has detailed information recorded in the CAMA system. For land, the legal description, dimensions, zoning, size, available utilities, and special characteristics are noted in a form that can be used and compared with other land parcels.*

*Each improvement shows the sketch and dimensions, a picture of the improvement, the class which indicates original construction quality, the year of construction of each part of the improvement, the type of roof, the roof covering, the exterior covering of the improvement, number of baths, fireplaces, air conditioning type, any other attributes and overall condition of the improvement.*

- (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;

*The CAMA system begins with the cost approach to value to estimate the replacement cost new of each improvement. That cost is based on local modifiers to Marshall-Swift, a nationally recognized cost estimation system, and/or district cost schedules. By utilizing these cost systems, properties are equalized as to their replacement cost new. Components measured in the cost can include the size of the structure, number of bathrooms, fixtures, quality and number of built-in appliances, type of roof structure, roof covering, exterior covering, special features such as fireplaces, pools, cabinetry, and other special amenities. The market sales are then studied for improvement contributions in each neighborhood and adjustments to cost are applied to each neighborhood in the form of all types of depreciation (physical, functional, and economic). Finally, each structure is rated as to its current condition. Ratings range from poor to excellent. Sales are also categorized using the same condition rating system so that sales comparisons will be made to properties of like construction and condition.*

*This same concept is used in commercial, industrial, and apartment property. Significantly larger neighborhoods or areas are indicated for these properties using sales and income data.*

- (6) Applying the conclusions reflected in the model to the characteristics of the properties being appraised; and

*By utilizing sales data for each neighborhood, the appraiser measures accrued depreciation of structures by condition rating. Similar properties with similar condition are assigned values per square foot based on a schedule for each type of property and adjusted to market data. By utilizing the age, quality, condition, construction components, and other variables, the schedules are adjusted as necessary and applied to all parcels within the neighborhood.*

*For commercial property and apartments, economic index factors or market adjustments are applied to cost figures to align values with current sales data. Regions of the community are assigned similar values per square foot for similar age, construction quality, and condition. Schedules are adjusted as necessary and the CAMA system applied all the factors and assigns value to each parcel.*

- (7) Reviewing the appraisal results to determine value.

*After completing the process of assigning values to all parcels within a neighborhood using the computer assisted mass appraisal programs, printouts are run to make comparisons of values per square foot within the neighborhood and comparison of those appraised values per square foot with current sales data from the*

*neighborhood. A sales ratio is run for each neighborhood to determine if the values that have been assigned are within required tolerances (95%-105%).*

*Commercial property and apartments are compared by category or type of business; i.e. Fast food structures are compared to other fast food stores. Adjustments are made en masse by the commercial appraisal staff utilizing the CAMA system. All similar improvements are compared to certify reasonableness of value and equity.*

## **MAP (Methods and Assistance Program) Review and Analysis**

The Aransas County Appraisal District had a MAP review for the 2022 appraisal cycle. Of the four mandatory requirements that were scored with a Pass/Fail; the District received a Passing grade. No major problems were found that were not immediately rectified.

## **REVALUATION DECISION (REAPPRAISAL CYCLE)**

The statutory requirements for reappraisal activities dictate all property within appraisal districts must be reappraised at least once every three years. The Aransas CAD by policy, adopted by the Board of Directors, reappraises all property in the district every year. The year 2023 is a reappraisal year and 2024 is a reappraisal year. Any property not physically inspected by the appraisal staff is inspected by aerial photography or by Pritchard & Abbott, our industrial and mineral appraisal contractor.

## **REAPPRAISAL YEAR ACTIVITIES**

1. **Performance Analysis** – the equalized values from the previous tax year are analyzed with ratio studies to determine the appraisal accuracy and appraisal uniformity overall and by market area within property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* of the International Association of Assessing Officers. The CAMA software does not have a function for the use of appraisals in ratio studies. We have created a spread sheet that uses appraisals in the ratio studies when sales are being examined. The District uses the information generated by both the system ratio analysis and the excel spreadsheet generated information in the final values set by the District.

Any property throughout the year that will need an inspection is tracked using the district's software. A list of flagged properties is prepared and the appraisers work these properties during the time allotted for field work. Aerial Photography is also used as a tool to verify improvements, topography, road frontage or any other attribute that may have an impact on value. Annual

photographic flights are contracted to cover the entire county, with a higher resolution in more densely improved areas. System edit checks are also run to ensure the accuracy of the data collected. Some of these reports include homestead cap reports, freeze reports and ratio studies.

2. **Market Areas** - We have many micro-markets in the Aransas County Appraisal District and these are “markets” identified within the land tables associated with each account. Aransas County is a retirement and recreation community located along the Texas coast. This “location” is primarily accounted for in the land value. The land tables are the specific market areas considered when examining the sales. These small individual market areas are tested with ratio studies. Corrections are made each appraisal year as to the accuracy of both the properties included and the values associated within these areas. Any areas that are found to be out of compliance are adjusted and tested until they meet the requirements set forth by the Texas Comptroller’s office. The codes for the land tables are located in the addendum of this plan. The land tables represent the groupings or neighborhoods that combine to make the larger market areas within the county. All of these areas will be inspected and tested for appraisal accuracy and uniformity in the 2023 and 2024 appraisal cycles.

Although the land tables represent the specific locations of individual land values for each real property account in Aransas County, the District has several major market areas. Each appraisal cycle the appraisal teams begin at the northern and southern boundaries of the county. The northern market area is considered to be the portion of the county north of the Copano Bay Bridge. This area includes Holiday Beach, Lamar, Goose Island Lake Estates, Lamar Pointe Preserve, Neptune Harbor, and the Aransas National Wildlife Refuge. Other properties in this section of the county are large tracts used for agriculture. This area is bound to the north by the county line, San Antonio Bay to the northeast, Mesquite and Carlos Bay to the east, Aransas Bay and Copano Bay to the south and southwest and Copano Creek to the west.

The southern market area includes the city of Aransas Pass and Conn Brown Harbor. Other properties in this market area are typically rural type properties of mixed use. Most of these properties are within the boundaries of the Aransas Pass ISD. This area is bound to the south by the southern county line, properties south of the line of Jacoby Lane extending to the Intracoastal Canal and east of Highway 35 south, west of Highway 35 south, Port Bay to the west and State Highway 188 to the north.

The western market area is comprised of predominately rural type properties, with some waterfront residential sections. There is a large commercial shrimp farming operation within this market. This market area is bound by the southwest county line, Port Bay to the southeast, Swan Lake and Copano Bay to the northeast and Chiltipin Creek to the north.

The eastern market area is considered to be San Jose Island. This large single owner tract is bound by the Gulf of Mexico to the east, Cedar bayou and Mesquite Bay to the north, Carlos Bay and Aransas Bay to the west and the Port Aransas Ship Channel to the south. This property is operated as a family ranching operation.

The central market area contains most of the improved parcels in the county. The City of Rockport and Town of Fulton lie within this area. Notable subdivisions are Key Allegro, Harbor Oaks, and the Rockport Country Club; as well as several canal-front subdivisions to the south including Islands of Rockport, Palm Harbor, City By the Sea, and Bahia Bay. The areas adjacent to the major roadways are typically commercial. This area also includes the elementary, middle and high schools for the Aransas County ISD. This market area includes those properties north of the line of Jacoby Lane extending to the Intracoastal Canal and east of Highway 35 south, north of State Highway 188, west of San Jose Island, south of the Copano Bay Bridge and east of Copano Bay. This area also includes the small islands located within the waters of Aransas Bay.

3. **Analysis of Available Resources** – staffing and budget requirements for tax year 2023 are detailed in the 2023 budget, as adopted by the board of directors. The availability of additional resources, whether personnel or equipment needs, are to be addressed each year in writing by the Chief Appraiser. If the Chief Appraiser identifies that the District needs additional staffing or equipment, he should make every effort to see that the Board of Directors are informed of this need as soon as possible and every effort made to take the actions necessary to keep the same level of efficiency and effectiveness that the district now has.

Presently, the District is staffed to accomplish a complete county-wide re-inspection. The District staff at the current time consists of ten full time employees. They are listed below;

Mike Soto - Chief Appraiser  
Val Smith - Office Manager  
Taryn Voigt –Public Assistance Clerk  
Josie Bonnett – Deeds Clerk/Bookkeeping  
Barbara Klemm - Public Assistance Clerk/Front Desk  
Scott Arrington – Staff Appraiser  
Ray Presley – Staff Appraiser  
Jackie Pena - Staff Appraiser  
Eamon Burke - Staff Appraiser  
Beth Picarazzi – Staff Appraiser/Office Administrator

The budget as adopted for each tax year will, at the very least, allow for a continuation of the current level of operation the District now employs. Currently the staff, including the protest period, is able to accomplish the business of the District with nominal to moderate overtime. During the protest period the employees work as necessary to try to get through all property owner protests and inquiries.

Employee education remains a high priority for the District. Whenever possible, travel and hotel expenses are minimized by choosing course dates that will allow two or more employees to attend classes at the same time. All state licensed appraisers will be attending continuing education classes in the 2023 and 2024 tax years.

Computer generated forms are reviewed for revisions based on year and reappraisal status. Our website has links that allow taxpayers to access the Comptrollers forms directly from our site. These links are updated as necessary.

4. **Planning and Organization** – a calendar of key events with critical completion dates is prepared for each major work area. This calendar identifies all key events for appraisal, clerical, customer service, and information systems. A calendar is prepared for tax years 2023 and 2024. Completing the annual task of re-appraisal is extremely time sensitive. Tasks must be planned and coordinated carefully to ensure adherence with the Comptroller's Property Tax Calendar. The appraisal calendar, other than changes made by legislation or the Comptroller, does not change significantly from year to year. This calendar will begin with the post-appeal season.

The Appraisal of Real Property will be accomplished by the staff appraisers, with each bearing equal responsibility across the district. Personal vehicles outfitted with temporary ACAD signage are used to drive the county in pairs, and mileage is compensated by the district. The staff appraisers arrange a broad schedule to ensure the re-appraisals are done as accurately and completely as possible. Jackie Pena has been tasked with the predominance of the Business personal property appraisal. Eamon Burke has been designated as the primary Commercial Appraiser.

5. **Mass Appraisal System** – Computer Assisted Mass Appraisal (CAMA) system is the PACS True Automation system by Harris Govern. It is updated by the company on an ongoing basis and the District will stay in constant contact with the company in relation as to the overall functionality of the software. Manuals are available on-line and in hard copy in the office for reference. Whenever possible, employees will participate in on-line training provided by the software vendor.

6. **Physical Data Collection** – The District uses all available methods of discovery possible. Data collection may include physical inspection, local

newspapers, MLS data when available, subscription services, seller/buyer letters, deed records, information from local realtors or contractors. The appraisal staff will make on-site inspections of many properties each year. Areas that are not readily accessible will be inspected using the current aerial images the District has on file. These images are captured as close to January 1<sup>st</sup> as possible.

7. **Pilot study by tax year** – new and/or revised mass appraisal models are tested each tax year. Ratio studies, by market area, and by stratum similar to the Comptrollers PVS (property value study) strata are conducted on proposed values each tax year. Proposed values in each category are tested for accuracy, reliability and uniformity in all market areas.

8. **Valuation by tax year** – using market analysis of comparable sales and locally tested cost data, valuation models are calibrated in compliance with supplemental standards from the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practice. The calculated values are tested for accuracy and uniformity using ratio studies. For the 2023 and 2024 appraisal cycle the District will use available fee appraisals in the ratio studies. Appraisals are used in the individual spread sheets the district uses in the land table studies each year. Appraisals are treated as a data point in the items being examined. Occasionally these data points may lead to a more accurate value conclusion. If the appraisal is the only data point in the land table, much less weight is placed on the accuracy of that information. A fee appraisal is an opinion by an independent fee appraiser; the comparable properties in these reports, in many cases, will not reflect the subtle differences in the micro-markets in Aransas County. Typically a fee appraiser will only consider 3-6 properties as comparable to the subject of the report, whereas the district considers many hundreds of sales and in depth cost data to formulate value conclusions.

9. **The Mass Appraisal Report** – each tax year the tax code required Mass Appraisal Report is prepared and certified by the Chief Appraiser at the conclusion of the appraisal phase of the *ad valorem* tax calendar (on or about May 15<sup>th</sup>). The Mass Appraisal Report is completed in compliance with STANDARD RULE 6 – 8 of the Uniform Standards of Professional *Appraisal Practice*. The signed certification by the Chief Appraiser is compliant with STANDARD RULE 6 of USPAP. This written reappraisal plan is attached to the report by reference.

10. **Value defense** – The methods used by the Aransas County Appraisal District include computer generated sales analysis and graphic information exported from our CAMA system. GIS Maps within our software give the reader of a value defense packet, spatial information as it relates to the subject property and the comparable property used to arrive at the appraised value. Shape files are created from the available sales data we gather from all sources and applied in a manner the appraisal staff can use for both value defense and public information. In many circumstances, value questions for property owners can be

answered by the use of these tools. The sales data is also entered into spread sheets for easy retrieval for property owners and appraisal staff. Sales data is listed by any means necessary to be easily referenced by the staff or property owners. Sales data is available for property owners and the District strictly adheres to the Comptrollers rules regarding the release of sales information to property owners from private sources.

Value defense also includes contact with the property owners and these procedures are outlined in the Procedures for Meetings, Formal and Informal Appeals manual the District utilizes. The Aransas County Appraisal District takes a proactive approach regarding appeals. Property owner calls are answered as soon as possible and all calls not taken directly are returned promptly. Unless the protest season is unusually busy most calls are answered the same day. It is the ultimate goal of the District to contact each protest or inquiry to see if there is an informal resolution to the concern of the property owner. This proactive approach will help reduce the necessity for cumbersome and costly Appraisal Review Board hearings.

## **REVALUATION DECISION**

The Aransas CAD, by policy adopted by the Board of Directors, reappraises all property in the district every year. The reappraisal year is a complete appraisal of all properties in the district.

### **TAX YEAR 2023**

Tax year 2023 is a reappraisal year. Every neighborhood, subdivision, condo project, commercial property type, and land table will be re-appraised for the 2023 appraisal cycle. All exempt properties will be included in the re-appraisal.

### **TAX YEAR 2024**

Tax year 2024 is a reappraisal year. Every neighborhood, subdivision, condo project, commercial property type, and land table will be re-appraised for the 2024 appraisal cycle. All exempt properties will be included in the re-appraisal.

## **PERFORMANCE ANALYSIS**

Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* from the International Association of Assessing Officers. Mean, median, and weighted mean ratios are calculated for properties in each reporting category to measure the level of appraisal (appraisal accuracy). The mean ratio is calculated for each market area to indicate the level of appraisal (appraisal

accuracy) by property reporting category. Additionally, each land table within the District is checked using these same procedures. Any areas that need refinement are addressed as soon as it is determined that they are out of range. The District can then complete the final valuation conclusion for the appraisal cycle and can timely send out appraisal notices. The goal each appraisal cycle is to be as close as possible to 100% of market value.

### ***ANALYSIS OF AVAILABLE RESOURCES***

The Analysis of Available Resources is detailed in the Reappraisal Year Activities for the 2023 appraisal cycle. Unless unforeseen circumstances require changes in staffing the District will have the available resources to complete all duties set forth in the Texas Property Tax Code.

### ***PLANNING AND ORGANIZATION***

#### **2023 and 2024 CALENDAR OF KEY EVENTS**

A complete calendar for 2023 including the Current Comptroller's Calendar is located in the addendum of this document. The calendar of key events for 2024 will primarily be the same for 2023 with the exception that the dates on the Comptroller's Calendar may differ. A copy of the 2023 Comptroller's Calendar will be included in this document as soon as it is available.

### ***MASS APPRAISAL SYSTEM***

The Computer Assisted Mass Appraisal (CAMA) the District utilizes is the PACS True Automation system by Harris Govern. PACS is updated frequently and the updates are installed as they are available. When the Comptroller's office makes a change that will materially affect the system operation, True Automation has made the necessary changes before required implementation times.

### ***REAL PROPERTY VALUATION***

Sales data which the district can verify is used in the valuation of residential properties. The District strictly adheres to the definition of market value used by the Comptroller's office. Sales that are not considered to be market value by definition are studied and used to gain insight in other factors such as trends in sale conditions or other market factors that may ultimately have an effect on other areas or the entire universe of properties.

Cost schedules, adjusted for current market conditions, 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, such as Marshall & Swift. The internet has been a very useful tool in the information gathering process. Cost trends are readily available on the internet. The Marshall & Swift cost books are updated regularly.

Land tables are primary market segments within the district. The land tables are constantly adjusted both for accuracy and for the inclusion or removal of properties within a table. The tables are adjusted each appraisal cycle and tested with ratio studies. After any correction is made, samples are selected from the grouping and tested for both accuracy and uniformity. Every property is valued by the land table it is associated with. The standard code table report for the land tables is inclusive of all real property located within Aransas County. All property is appraised every appraisal year. The land tables are located in the addendum of this report.

## **THE INCOME APPROACH**

The income approach of appraisal is based on capitalization of an income stream. More simply stated, the worth of an investment property is based on the future worth of the income stream produced by that asset. The formula for calculating the value of an income producing asset is  $\text{Value} = \text{Income}/\text{Rate}$ , this is more commonly known as the IRV formula.

After narrowly landing in the confidence interval for 2019's PVS, a weakness was shown in ACAD's appraisal of commercial properties due to the lack of implementation of the income approach. Defense of value opinions is also very difficult when the Comptroller uses the income approach and we do not. This has been rectified as of 2020 and will continue to be applied to appropriate commercial property categories as can be done accurately and uniformly.

Many economic factors come into play when using the income approach. The principles of supply and demand, anticipation, substitution and competition all have a direct effect on value.

The first process to be discussed is the calculation of the capitalization rate (cap rate). This most reliable method of calculation of this rate is to divide the NOI (net operating income) of a property by the sales price. This method will produce a starting point (rate) for all other properties in the same class and use category.

After the initial calculation of this rate, economic factors may be used to update the capitalization rate when sales data is not available. When sales data cannot be used in the calculation of the cap rate the build-up method or summation method must be used. The components of the cap rate are the risk-free rate or the rate an investor would typically receive on a somewhat safe investment such as a blue chip stock. The allowance for risk is the next component of the built-up rate. This is the return an investor wants to receive for the risk associated with an investment property. An allowance for illiquidity is also a component of the built up rate. This allows for an additional return on investment for the owner to compensate for the fact that real estate may take some time to sell if the investor decides to change investments. An allowance for management is also considered in the built up rate. This is not to be confused with the actual property management expense. The management allowance is for the decision-making process involved to safeguard the investment.

The build-up method cap rate may vary greatly between property types. For instance the allowance for risk may be 4% for a single tenant lease for a large corporate client. The risk allowance for a small apartment with a history of collection problems may be as much as 7%. Given this same comparison the allowance for illiquidity and management will also vary. Apartments require a greater degree of expertise in the decision making process, therefore require a greater rate of return. The leasing of a property to a large corporate tenant typically will require less day-to-day consideration from the owner. Additionally apartments lease terms will be considerably shorter than commercial leases, therefore requiring more analysis from the owner. The following is an example of a built up cap rate for a triple net lease to a major corporate tenant as compared to an apartment complex.

	Corporate Tenant	Apartment Complex
Risk Free Rate	4.0%	4.0%
Allowance for Risk	4.0%	6.0%
Allowance for Illiquidity	2.0%	3.0%
Management	1.0%	2.0%
	-----	-----
	11.0%	15.0%

The calculation of the NOI is the most important component of the income valuation process. This data when available is often inaccurate in the way it is reported. Great care must be used when analyzing this data. Operating expenses are the costs associated with the operation and maintenance of an income producing property. The following list gives examples of operating expenses.

- |                      |                  |
|----------------------|------------------|
| Accounting expenses  | Property taxes   |
| Advertising expenses | Repair costs     |
| Attorney fees        | Resident manager |

Insurance	Salaries and wages
Janitorial service	Supplies
Lawn care	Utilities/phone/cable
Leasing commissions	Vehicle expenses
Legal fees	
License fees	
Office expenses	
Pest control	
Property management	

Operating expenses do not include the following;

- Capital expenditures such as a new roof or swimming pool
- Personal property such as lawn equipment or furniture
- Income or capital gains taxes
- Loan origination fees
- Mortgage interest/debt service
- Depreciation
- Repairs for unanticipated expenditures (i.e. flood damage)

When interviewing an owner and obtaining expense data, the following list may be used as a reference to determine allowable expenses.

The formula for the calculation of the NOI is;

	Potential Gross Rent
Vacancy and Collection Loss	
=	Effective Gross Rent
+	Ancillary Income
=	Effective Gross Income
-	Allowable Expenses
=	Net Operating Income

The only way to get the necessary information to calculate the NOI for a property is to interview the owner or manager of a property. There will be resistance to this type of interview with most property owner/managers. They feel this information is private in nature and should not be disclosed. This information is sensitive in nature however and should be regarded as such. The release of information concerning a property owner's income is confidential. The information gathered during this process will only be used to formulate appropriate percentages of potential gross rent/income in specific property categories. The District believes that specific income information given to us should be guarded carefully.

In many instances the owners will overstate the cap rate for their property based on nationally obtained information or national averages. While this information

could be considered when there is a lack of reliable sales data, it is not considered within the District. Sales of all property categories are plentiful and the data obtained from them is reliable. A common problem with owner occupants is the management expense. This line item commonly contains not only the typical management fee but also the owners return on the investment. The return is calculated after the NOI and should not be considered an expense. Another common error is the addition of the interest and principle payments made on a property. Owners consider this an expense and include it in the expense portion of their balance sheets. It is important when gathering income information to help owners understand that the actual expense ratio for their particular property may not be used if it varies greatly for similar type properties within the district. The ratio used should be the most common or typical ratio. The same is true for rents collected for a particular property category. The rents used when calculating the potential gross rent should be market or the most probable rent for that property type.

Once the percentage of NOI as compared to the potential gross rent/income has been established for a particular property category, this percentage can be used to calculate the fair market value of similar property types using the IRV formula.

The classification of investment/commercial properties is of considerable importance in the income approach to value. The current classifications in the District have proven over time to be very accurate in the valuation process. However when using the income approach; further classification is necessary. Property types must be sub-classified into property use types. For example, a strip center may be of the same cost class as an owner occupied retail center but the income model will differ between the property types. For the purposes of the income approach in the District the following categories are considered.

- Residential single family rental
- Residential multi-family rental
- Residential multifamily subsidized rental (Section 8 or similar program)
- Recreational residential (RV Parks)
- Commercial single tenant
- Commercial multi-tenant
- Commercial special use (this category will be subdivided as necessary)

Once the property has been classified the appraiser needs to interview the owner or manager if possible. If the income approach is the chosen method of valuation for a particular property category and the information is not readily available for the subject, typical market rents and market expenses must be used. It is important to note that the global application of such methodology may lead to inaccurate results. Even with consistent application of these proven methods, the income approach to value is only as good as the information gathered by the appraiser. Important factors to consider are total gross rentable area or units,

condition of the property, location, local economic factors, and management practices.

## **PERSONAL PROPERTY VALUATION**

Valuation procedures are reviewed, modified and tested as needed. The depreciation schedule is updated annually to reflect the current appraisal year. Any modifications necessary to the depreciation schedule during the appraisal cycle are made on an as-needed basis. Business categories are checked, and comparisons made to adjust values as necessary to reflect both equity and uniformity within each business category. Along with the rendition information provided by business owners, the appraisal staff uses other methods of discovery that are outlined in the personal property appraisal manual. When a business sale occurs, every effort is made to ensure that the allocation of real property to personal property is correct.

Properties that have not filed renditions for several years may be considered for a formal on-site inspection. We have been successful with informal inspections in the past.

## **INVENTORY APPRAISAL**

When appraising inventories, real or personal, the owner must provide enough information (rendition) to correctly classify the inventory as to the kind, quality, and nature of the inventory being valued. For personal property inventories, the value, if a value other than the one that is rendered is used; it must be what a “person who would continue the business would pay for the property”. Information collected for this value method is continuously being updated and will be calculated on a case by case basis as inventories vary greatly from business to business. Businesses which are of the same type should be appraised using the same methodology.

Real property inventories have a special requirement as an application must be filed by the property owner after January 1<sup>st</sup> and no later than April 15<sup>th</sup>. If the owner in writing requests an extension, the deadline may be extended to May 15<sup>th</sup> and must be granted by the Chief Appraiser. An additional 15 day extension may be granted if the owner can show “good cause”. To be considered inventory, real property must be residential in nature and must be designated by plat as such. Properties meeting all of the following criteria copied from the Rendition of Real Property Inventory will be considered for inventory valuation:

- 1) it is a residential property
- 2) it hasn't ever been occupied as a residence
- 3) it hasn't been leased, rented, or otherwise used to produce income since the beginning of the year and;
- 4) it has been held for sale since the beginning of the year.

The discounts for real property inventory range from 30% to 70%. The discount is applied on a case-by-case basis and depends on the level of improvements (intensity of development) the original owner applied to the real property, *i.e.* streets, curbs, gutters and water etc. A subsequent purchaser would not be precluded from obtaining a developer's discount, however in most instances it would be less than the original developer's discount. This is due primarily to the fact that subsequent purchasers would pay a premium for these improvements and this cost would be considered when analyzing the sale. Again, this is evaluated on a case-by-case basis. In general, information provided by the developer is used to determine the level of discount that is applied to the properties.

## **NOTICING PROCESS**

Per Section 25.19 of the Texas Property Tax Code- appraisal notice forms are reviewed, edited for updates and changes and approved by appraisal district management. Updates include the latest copy of Comptrollers *Taxpayers Rights, Remedies, and Responsibilities*.

## **HEARING PROCESS**

Production of documentation is considered to be in compliance with HB 201. The scheduling of hearings is performed by the office manager. All efforts are made to comply with taxpayer requests for scheduling. Formal hearings are conducted by the Appraisal Review Board and facilitated by the District staff. If the informal hearing process is unsuccessful in the resolution of the taxpayer concern, a formal hearing is scheduled. Once scheduled, the date and time is indicated on the placard in the District office. The property owner or agent is notified by mail and all required documentation is sent with the notification. Single-member panel ARB hearings are also available for taxpayers.

## **DATA COLLECTION**

Reliable sales information in Aransas County has been available in the form of owner surveys, Comptroller open records requests, and evidence submitted in ARB hearings. The appraisal staff monitors listing information actively and

confirms sales by contact with individual agents whenever possible. The internet, mortgage companies and other appraisers are also good sources of sales information. A “percent of last list price” is developed to accurately reflect sale prices when the data is withheld. The local Association of Realtors has revoked access to MLS sales data, yet the data is given to the comptroller for use in the PVS, which is judged based on data unavailable to the District. As a result, methodical effort must be made to estimate what that information might be. Any and all sources of data on sale prices, income, terms, or property characteristics is collected by the district at all times.

## **NEW CONSTRUCTION / DEMOLITION**

It is the policy of the district to make a site visit to each new construction and demolition project each year. Site visits will allow consistency throughout the county in the calculated areas of structures. In the past, structures were measured from the outside and it is the district’s policy to measure all structures from the exterior walls. Some blueprints calculate the area of a structure from inside dimensions. Reliable data can only be abstracted from data that remains consistent from structure to structure or from market to market. All known demolition projects found during permit searches need to be site verified and the date of demolition documented.

## **REMODELING**

Remodeling events are more difficult to discover in the outlying areas of the county. In the cities, permits are used to discover properties that have been updated or remodeled during the appraisal cycle. Aerial imagery is important in the discovery of remodeling events. Comparisons are made to previous images and the differences are typically quite apparent. When these differences are discovered a site inspection is scheduled.

## **RE-INSPECTION OF PROBLEMATIC MARKET AREAS**

During our ratio studies, if an area is considered to be problematic, an in-depth analysis is conducted to uncover the reason for the value problem. Because the appraisal staff physically inspects the predominance of the county each year many problematic areas are field adjusted. An example of this would be a superior water view of several homes along a street. When an appraiser discovers a situation like this, information is brought back to the office and

researched using sales information of similar types of properties in the District. Occasionally a re-inspection is needed to field verify a particular adjustment or other value factor. Aerial imagery the District possesses has been extremely helpful answering many of the questions that could not be answered in the office.

## **RE-INSPECTION OF THE UNIVERSE OF PROPERTIES**

The International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property* specifies that the universe of properties should be re-inspected on a cycle of 4-6 years. Aransas County Appraisal district currently re-inspects the universe of properties every year either by physical inspection or aerial photography.

The annual re-inspection requirements for tax years 2023 and 2024 are identified by Region Code in the broadest sense. The more specific identifier of the properties is the land table or neighborhood associated with every real property account. Every property is associated with a land table and every property will be re-appraised during 2023 and 2024.

## **FIELD OR OFFICE VERIFICATION OF SALES DATA AND PROPERTY CHARACTERISTICS**

Sales information must be verified. Property characteristic data must be field verified. The sales ratio study requires that the characteristics of the property sold must equal the characteristics of the property appraised, ensuring that statistical analysis results will be valid. The office staff sends out sales questionnaires to sellers and buyers of every real property transaction each year. This information is forwarded to the appraisal staff and reviewed for accuracy. Information is verified using personal telephone interviews with the involved parties, cross-checked against available information and field verified. These techniques are utilized every appraisal year.

The Aransas County Appraisal District inspects the predominance of real property every year. This inspection cycle allows the District to be more accurate in the valuation of properties. The modified cost/sales approach to value requires a high degree of both accuracy and consistency in the improvement section of the individual appraisals. Each physical characteristic is noted in the field and recorded in the appraisal CAMA system. The Classification Guide in the appraisal manual has a detailed listing of the major categories of physical characteristics that have an effect on the appraised value of a property.

It is imperative to start with an accurate sketch of the property. All design features of the property are listed on the sketch and entered into the CAMA system. Detailed notes are important for exact replication back at the office. The sketch should be recreated within the CAMA system as soon as possible. The characteristics that affect market value are delineated within the system and are checked each appraisal cycle. During the annual review of new sales, the improvement category is checked for accuracy using the current cost schedules. Properties are randomly selected for verification of measurements. In all cases the appraisal team verifies the sketch on the card with each property, if there is any doubt as to the accuracy of the sketch the team re-measures the property.

The Appraisal Manual is attached to this plan by reference.

## ***PILOT STUDY***

The procedures used for model specification and model calibration are in compliance with *Uniform Standards of Professional Appraisal Practice*, STANDARD RULE 6. Aransas County is unique in that we have many micro-markets. During our overall value study and sales comparison we examine each land table (our primary market characteristic) and check the appraised values as compared to the sales prices. Many of the micro-markets have good, current sales information to analyze the appraised values. All appraised values after adjustment, are checked to ensure that the adjustments made reflect the anticipated results. If the results are not satisfactory the adjustments are further refined to reflect the desired result. The goal of the District is to be as close to 100% market value as possible each year. Random individual properties throughout the county are selected after adjustments are made and checked for appraisal accuracy.

The appraisal staff makes frequent pilot studies during the data entry process after inspection of an area. Individual properties, after adjustment, are checked against similar properties within the market area and checked for accuracy. If an area is considered to fall out of compliance, or a property after adjustment does not reflect market value; that particular area is singled out for further examination and refinement. During this process, the land segment, improvement segment, or both may require adjustment.

## ***VALUATION BY TAX YEAR***

Valuation by tax year – using market analysis of comparable sales and locally tested cost data, market area specific income and expense data, valuation models are calibrated in compliance with the supplemental standards from the

International Association of Assessing Officers and the *Uniform Standards of Professional Appraisal Practice*. The calculated values are tested for accuracy and uniformity using ratio studies. Performance standards are those as established by the *IAAO Standard on Ratio Studies*. Property values in all market areas are updated or verified as acceptable each reappraisal year.

The Aransas County Appraisal District uses a modified sales/cost approach for the valuation of most of the improved properties within the county. Each approach is defined as used within the district below.

## **SALES COMPARISON APPROACH TO VALUE**

The Sale Comparison Approach is considered to be the most reliable indicator of value as data is abundant in comparison with the other approaches to value. This approach to value is the primary indicator of value for the residential improved and vacant. Aransas County has over the past 10 years experienced a high volume of new construction, which is only exacerbated by the reconstruction post-Harvey. This fact coupled with the reliable land sales information within the district makes this approach very reliable. Though MLS data has not been available since early January 2018, the Sales Comparison approach remains our most accurate means of evaluating property using the data available to the district.

## **COST APPROACH TO VALUE**

The Cost Approach is considered to be relevant to the extent that it affects the effective age of a structure. The economic life for a given structure is driven by the initial quality of construction. This is inherently qualified by the class of a structure as indicated in our appraisal manuals. As many structures are not new construction, the overall weight of the cost approach is generally not a major contributor of overall value. In the past, the cost approach has indicated if the improvements of a particular category needed to be modified; therefore it is always considered and studied carefully. The formula used for the cost approach is ***Cost New of improvements + Land Value = Market Value***. The formula typical employed by the district is the formula that accounts for accrued depreciation from all sources. This formula is as follows:

***(Cost new of Improvements – Depreciation) + Land Value = Market Value.***

This formula is commonly known as the replacement cost new formula. This particular method of cost approach valuation requires calibration. The most recent recalibration of this system occurred during the installation of the new CAMA software from True Automation.

## **INCOME APPROACH TO VALUE**

The District uses the income approach to value to examine values of commercial properties. Typically, income information is not readily available in Aransas County for most property types. Currently several property types are very close in market value calculations for both the cost approach and income approach. Should the income approach be deemed more accurate in the estimate of market value and data for building a reliable income model is obtained, it will be considered in the determination of value. The steps involving the income approach were previously outlined in this plan.

## ***SPECIAL INVENTORY RESIDENTIAL PROPERTY***

## **SALES COMPARISON APPROACH TO VALUE**

The Sales Approach to value is applied to the property and discounted commensurate with 23.12 of the Property Tax Code. This states that the market value of the inventory is the price for which it would sell as a unit to a purchaser of who would continue the business. Additional information for this property type is listed in the Inventory Appraisal Section of this reappraisal plan.

## ***INDUSTRIAL REAL PROPERTY, UTILITIES, MINERAL INTEREST, INDUSTRIAL TANGIBLE PERSONAL PROPERTY***

SALES COMPARISON APPROACH TO VALUE

COST APPROACH TO VALUE

INCOME APPROACH TO VALUE

All of the aforementioned approaches to value are performed annually by an outside contracted appraisal firm to increase the districts' efficiency. (See Attached Pritchard & Abbott Reappraisal Plan)

## ***SPECIAL VALUATION PROPERTIES***

## **AGRICULTURAL USE**

The formation of the Ag Advisory Board has been a great help in the collection of the necessary data to calculate a localized ag value for Aransas County. The calculations for the application of the cap rate and the five year net-to-land calculations will be outlined here and included in the Appraisal Manual for Aransas CAD.

The 2020 appraisal cycle used newly developed Ag sub categories. These sub categories represent the major land types and uses in the county. Local Agricultural Surveys are sent to collect income and expense data for use in Ag Value Calculations.

The topography is generally flat with some low lying areas prone to tidal flooding along the bay and river frontages. Aransas County at the present time has approximately 86,000 acres of land valued by the Agricultural or Wildlife Special Appraisal. That total includes the three major land owners in the county, the Bass Brothers Ranch or as it is more commonly known, San Jose Island (29,000 acs. +/-). The other major land owners in the county involved in agricultural production are the Tatton Family (25,000 acs. +/-) and the Braman family (4,000 acs. +/-). These three ranches encompassing an area of approximately 58,000 acres are predominately native pasture. The Bass Ranch on San Jose Island is only accessible by boat; therefore it is reasonable to assume that in the foreseeable future there will be no new development on that tract. The Tatton family ranch lies to the west of highway 35 north, north of the Holiday Beach subdivision and runs through the northern boundary of the county. The Braman Ranch lies to the north of Copano Bay and west of highway 35 north.

The dry cropland in the county lies directly to the east and west of highway 35 north and encompasses an area of approximately 8,000 acres. The other portion with a significant dry crop percentage is the area at the westernmost portion of the county. This area is bounded to the north and west by Refugio County. Crops common to these areas are cotton and sorghum.

The remaining land area of approximately 5,000 acres consists of small family operations ranging in size from 10 acres to over 600 acres.

The cattle and sheep/goats are the major livestock animals raised in the county and to a large extent they are grazed on native pasture. Sheep/goats make up a smaller percentage of the grazing animals in the county but are more popular among the small family operations. In 2006 the Aransas CAD requested the assistance of the local Ag Extension Agent. He produced a report that helped the CAD and the landowners with a general rule of thumb for local grazing and stocking rates. An open pasture parcel in the county will handle no more than 1 animal unit per 15 acres.

An animal unit for the purposes of this analysis consists of;  
one cow or,  
one cow and a calf or,  
two 500 pound calves or, six goats/sheep

A bull for this analysis is counted as 1.5 animal units. Generally 15 acres will support a bull with some minor supplemental feeding. This study was commissioned so that the land owners new to the Agricultural Appraisal program would not over graze their land.

The predominant soil type in the county is sandy with a mixture of saline, loam and clay. Under normal conditions the typical open pasture can handle one animal unit per 15 acre tract. But for the most part the larger operations are saline or loam with stocking rates as high as 28 acres per animal unit under poor conditions and as low as 12 under the best of circumstances. For the past several years the area has seen a moderate to severe drought and most pastureland has suffered. Many ranchers have had to graze cattle on a rotation out of the county to have a better forage supply for the livestock.

The capitalization rate used to value special use agricultural properties is 10% or the interest rate specified by the Farm Credit Bank of Texas or its successor on December 31 of the preceding year plus 2 ½ percentage points, whichever is greater. Once the proper cap rate is determined, the net to land value is then divided by the cap rate to arrive at the value per acre.

The five year average net to land calculation is the net to land value which is the yield at the typical rate minus typical owner expenses (taxes, fencing etc) observed on a five year period and averaged.

## **AGRICULTURAL COST EXAMPLE**

The cost of fencing for cattle is \$3,500 per mile. This is for perimeter fencing and there is little cross fencing. A 640 acre tract will have perimeter fencing and moderate cross fencing resulting in a linear fence total of 5 miles. The typical life expectancy of a fence in this coastal region is 12 years. From this information we may conclude the following;

Perimeter fence (shared by adjacent property owner) 4 miles @ \$3,500 per mile  
= \$14,000 / 2 = \$7,000  
Inside fence (no sharing expense) 1 mile @ \$3,500 = \$3,500

\$7,000  
\$3,500

-----  
 $\$10,500/640 = \$16.40$  per acre /12 =  $\$1.36$  per year per acre for

fence

## **WILDLIFE MANAGEMENT**

The district has set standards by which all landowners wishing to apply for the Wildlife Special Use will be held to.

Currently there are twelve wildlife operations located within the District. We expect to see additional property owners take advantage of this special appraisal in the future. Aransas County is unique in the number and diversity of waterfowl that make their annual migration south. The endangered Whooping Crane makes its migration to the Aransas National Wildlife Refuge every winter. In the last two years Whooping Cranes have been spotted on private property indicating they are in search of natural foods such as crabs and small shrimp. Numerous ducks and geese also winter in Aransas County. Deer populations have been consistent over the past few years. Wild Boar populations have been growing in number and in some instances have become harmful to fields and crops. The wildlife population is considerable and at the present time hunting leases do not have a measurable impact on wildlife populations. Wildlife populations have been insignificantly altered by Hurricane Harvey and are otherwise healthy.

The requirements for Agricultural Appraisal based on Wildlife Management use are as follows:

The property has to have had an agricultural appraisal (1d1) in the year prior to application for Wildlife management Use.

The minimum acreage is 10 total acres.

A minimum of three wildlife management activities must be practiced.

The District currently requires all Wildlife Management Use applications on the Texas Parks and Wildlife form PWD 885-W7000 (07/08). At the present time there is not an annual re-filing for the participants. If upon physical inspection, the appraiser feels that the participant is not fulfilling at least three of the listed wildlife activities, the Chief Appraiser will require another application to be submitted. The physical inspection of Wildlife Use properties is important to insure the participant is fulfilling their obligations under the special appraisal guidelines.

Currently the amount of a tract to be considered for Wildlife Use Valuation the property must be at least 90% dedicated to the three or more of the following activities.

Habitat Control  
Erosion Control  
Predator Control  
Providing Supplemental Supplies of Water  
Providing Supplemental Supplies of Food  
Providing Shelter  
Making Census Counts to Determine Population

The calculation for the minimum percentage is as follows;  
10 acre minimum (from ag use)  $10 \text{ ac.} - 1 = 9 / 10 = 90\%$

Given the large migratory waterfowl populations in Aransas County, we expect in the future more landowners will take advantage of the Wildlife Management Use Special Appraisal. In many instances the land does not provide sufficient natural forage for livestock; the land and landowner would be better served taking advantage of this program.

## ***TANGIBLE BUSINESS PERSONAL PROPERTY***

Data received during the previous tax year from renditions and hearing documentation is the primary data used to set the market value. All aforementioned approaches to value are considered, yet not used as primary indicators of value.

In the past Aransas County has been considered a small fishing village, but with the major influx of retired persons residing here full-time, the business climate has changed. The District has continued to refine the business personal property appraisal process. Uniformity and consistent results were the major contributing factor for this undertaking.

Dividing the major business types into separate categories is the first step in this process. Examples of the major categories are listed below;

PER- general business personal property  
BOAT- for small fishing vessels and fishing guide boats  
DOCU- for documented vessels that have a Coast Guard documentation certificate  
STR – for short term rental homes

These categories have allowed us to simplify the rendition process for the business owners and the result is a higher percentage of returned renditions and better information contained in them. This process is on going and more categories will be added over the next several reappraisal cycles. Contact with local business owners has been a major priority during this process. The

information that can be gained from this relationship is valuable and the assistance that we as an appraisal district can provide to them has proved beneficial.

Additional information on the appraisal of business personal property is contained in the Personal Property Appraisal Methods handbook and attached to this plan by reference.

Appraiser is compliant with STANDARD RULE 6-9 of USPAP. This written reappraisal plan is attached to the Mass Appraisal Report by reference.

## **Calendar of Key Events for the 2023 and 2024 Appraisal Cycles**

### **July 26<sup>th</sup> - January 1<sup>st</sup> 2022 and 2023**

Appraisal Phase, Field Work. This is the time that the majority of the properties in the county are inspected. The Appraisal District Budget is typically approved and the Reappraisal Plan is adopted in even numbered years.

### **January 1<sup>st</sup> – March 26<sup>th</sup> 2023 and 2024**

Analyzation Phase. Field inspections should be wrapped up and the examination of the sales data will begin. Corrections are made and values are finalized. As soon as practical the notices of appraised value should be sent to the printer.

### **January 15<sup>th</sup> – February 15<sup>th</sup> 2023 and 2024**

Aerial imagery is received and used for further inspection of properties during the analyzation phase. Any properties that require a “go back” are visited during this time.

**April 1<sup>st</sup> – July 25<sup>th</sup> 2023 and 2024**

Equalization phase. Notices are mailed to the homestead properties the first week of April or as soon as practicable and the protest phase begins. The non-homestead properties are sent appraisal notices as soon as possible thereafter. Informal meetings and hearings before the ARB are held during this time. After certification, system maintenance and other administrative tasks are completed. The process begins again in August 2023 for the 2024 appraisal cycle.

**April 1<sup>st</sup> – May 15<sup>th</sup> 2023 and 2024**

Personal property renditions are entered and values finalized for personal property accounts. Notices are prepared as soon as practicable for these accounts and notices are mailed out.

**On or Before July 20<sup>th</sup> – 25<sup>th</sup> 2023 and 2024**

The Appraisal Roll as corrected is presented to the ARB for approval and the Certified Roll is presented to the entities.