

GLASSCOCK COUNTY APPRAISAL
DISTRICT

REAPPRAISAL PLAN

For

TAX YEARS 2021-2022

AS ADOPTED BY THE BOARD OF DIRECTORS

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EXECUTIVE SUMMARY

The Glasscock County Appraisal District (GCAD) has prepared and published this plan, as required by law, to inform the taxpaying public of the; mission, legal requirements, organization, workload, past performance, and necessary changes to the district's operations to accomplish the plan requirements regarding the valuation and revaluation of taxable property within Glasscock County Appraisal District as summarized in the last section of this document.

The Glasscock County Appraisal District (GCAD) is a political subdivision of the State of Texas created by the Texas Legislature in 1979 to provide uniform and equal appraisals of taxable properties at market value for ad valorem tax purposes. The Texas Property Tax Code governs the legal, statutory, and administrative requirements of the appraisal district. The district is governed by a board of five directors appointed by the governing bodies of the participating taxing units, Glasscock County, Glasscock Groundwater Conservation District and the Glasscock County Independent School District. The board of directors is responsible for establishing the district's office; adopting the district's annual operating budget; contracting for necessary services; hiring the chief appraiser; appointing the Appraisal Review Board (ARB); and making general policy of the district's operation. The board's authority is limited. The board does not appraise property or review values on individual properties. These tasks are legally assigned to the chief appraiser and the ARB. The chief appraiser, appointed by the Board of Directors, is the chief administrator and chief executive officer of the appraisal district.

The Appraisal District is responsible for local property tax appraisal and exemption administration for the taxing units in the county. The purpose of the district is to discover, list and appraise property as accurately, ethically and impartially as possible in order to estimate the market value of all property within the boundaries of the district for ad valorem tax purposes. Each taxing unit sets its own tax rate to generate revenue to pay for police and fire protection, public schools, road and street maintenance, courts and other public services. Property appraisals by the appraisal district allocate the year's tax burden on the basis of each taxable property's market value. The District also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly and disabled, disabled veterans, charitable or religious organizations and agricultural productivity valuation.

The Written Plan

Section 6.05 of the Property Tax Code

(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 hearing, 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

Section 25.18 of the Property Tax Code 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 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 restriction
 - (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.

Definition of Market Value

Except as otherwise provided by the Property Tax Code, all taxable property is appraised at its "market value" as of January 1st.

Subsection (7), Section 1.04, Tax Code:

- (7) "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 buyer 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 buyer seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other

The Property Tax Code defines special appraisal provisions for the valuation of residential homestead property (Sec. 23.23) productivity (Sec. 23.41) real property inventory (Sec. 23.12) or restricted use properties (Sec. 23.83) and allocation of interstate property (Sec. 23.03). The owner of real property 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 filing an application with the chief appraiser requesting that the inventory be appraised as of September 1st.

Revaluation (Reappraisal Cycle)

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 Glasscock County Appraisal District, by policy adopted by the Chief Appraiser and the Board of Directors reappraises all property in the district every three years with the exception of the industrial, mineral, and personal property accounts which are appraised annually. All new construction will be added to the appraisal records; any adjustments in property characteristics, that affect value, will be applied to all property types of the same class within the district.

Performance Analysis

The equalized values from the previous tax year will be analyzed with ratio studies of the current market to determine the appraisal accuracy and appraisal uniformity overall, and by market area, within property reporting categories. Ratio studies will be conducted in compliance with the current *Standard on Ratio Studies* of the International Association of Assessing Officers. Mean, median and weighted ratios will be calculated for properties in reporting categories to measure the level of appraisal accuracy. The median ratio will be calculated in each reappraised category to indicate the level of appraisal accuracy by property reporting category.

Personnel

The Glasscock County Appraisal District staff consists of 2 full-time employees.

Analysis of Available Resources

Staffing and budget requirements for tax year 2021 are detailed in the 2021 budget as adopted by the Board of Directors of the Glasscock County Appraisal District and is attached (Attachment A) to this written biennial plan for reference. This reappraisal plan may be adjusted as needed to reflect the available staffing in tax year 2021 and anticipated staffing for tax year 2022. Budget restraints can impact the cycle of real property re-inspection and personal property on-site review that can be accomplished in the 2021-2022 time period.

Existing appraisal practices, which are continued from year to year, are identified and methods utilized to keep these practices current. Real property appraisal value tables are tested against verified sales data to ensure they represent current market data as available. Personal property values are evaluated and analyzed based on renditions, prior year documentation, and inspections.

Information Systems support is detailed and system upgrades are scheduled. Computer generated forms are reviewed and updated on a yearly basis. Unless otherwise specified by legislative changes. Existing maps and data requirements are continually updated and kept current.

Planning and Organization

A calendar of key events with critical completion dates is prepared for each area of work. This calendar identifies key events for appraisal, clerical, customer service, and information systems. A calendar is prepared for tax years 2021 and 2022. Production standards for filed activities are calculated and incorporated in the planning and scheduling process.

The projected dates incorporated into the calendar may be adjusted within the overall plan due to unforeseen changes in staffing, budgetary constraints, weather, and/or reevaluation of the priorities of the projects within the plan.

Periodic and concurrent examination of production standards, goals and progress in the plan may very well require adjustments to the on-going plan or to the plan for the succeeding year(s). The GCAD and Chief Appraiser, together with the field staff provided by Eagle Property Tax Appraisal & Consulting, Inc., Pritchard & Abbot, Inc., and other contracted field staff; will work together closely to identify issues that may affect the successful completion of the on-going plan and to resolve them.

Mass Appraisal System

Computer Assisted Mass Appraisal (CAMA) system revisions are completed by the Information Systems Software Provider. System revisions and procedures are performed by the provider. Glasscock County Appraisal District contracts with the firm of Pritchard & Abbot, Inc. for these services.

Real Property Valuation

Revisions to cost models, income models, and market models are specified, updated, and tested each tax year, as information is available.

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. Value 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 as necessary.

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

Commercial and industrial businesses are valued based on depreciated fixed assets and inventory valuation in accordance with Section 23.12 of the Property Tax Code. Depreciation schedules are updated each year. Valuation procedures are reviewed modified as needed, and tested.

Mineral Property Valuation

Producing oil and gas properties are valued each year in accordance with section 23.175 of the Property Tax Code. Pritchard & Abbott, Inc. is contracted by the Glasscock County Appraisal District Board of Directors.

Noticing Process

25.19 appraisal notice forms are provided by the software provider. The provider reviews and edits for updates and changes required by legislative mandates. The district makes available the latest copy of the Comptroller's pamphlet *Taxpayer's Rights, Remedies, and Responsibilities*.

Hearing Process

Protest hearing scheduling for informal and formal Appraisal Review Board hearings are reviewed and updated as required. Standards of documentation are reviewed and amended as required. The appraisal district hearing documentation is reviewed and updated to reflect the current valuation process and requirements. Compliance with House Bill 201 is insured. (HB 201 deals with a protesting taxpayers right to a postponement of an ARB hearing if the appraisal district fails to deliver to the taxpayer certain materials and information at least 14 days before the ARB protest hearing).

Data Collection Requirement

Field and office procedures are reviewed and revised as required for data collection. Projects for each tax year include new construction, demolition, remodeling, re-inspection of the universe of properties on a specific cycle, and office verifications of sales data and property characteristics.

New Construction/Demolition

New construction field and office review procedures are identified and revised as required. Sources for identifying new construction or demolition are from public records and site visits.

Remodeling

Properties with extensive improvement remodeling are identified and field inspections are scheduled to update property characteristic data. Sources for identifying remodeling are from public records through Deeds of Trust, Mechanics Lien, etc. and site visits.

Re-inspection of Problematic Market Areas

Real property market areas, by property classification, are tested for consistently low or high sales ratios and/or high coefficients of dispersion. Market areas that fail any or all of these tests, or are located in areas of development or change, are determined to be problematic. Field inspections are scheduled to verify and/or correct property characteristic data. Additional sales data is researched and verified.

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 3-4 years. The re-inspection may include the re-measurement of at least two sides of each improved property valuations. Physical inspection of the property is considered to be the most fundamental step in gathering reliable data. The field appraiser has an appraisal card of each property to be inspected and makes notes of changes, depreciation, remodeling, additions, etc. **Uniform Standards of Professional Appraisal Practices (USPAP) does not require inspection for reappraisal. "Only that the characteristics of a property, relevant to an assignment be identified." Frequent physical inspections are nevertheless necessary to insure that each property is appraised according to its conditions as of January 1.** The Glasscock County Appraisal District will be on an annual physical inspection cycle for the properties within the district. The annual re-inspection requirements for tax years 2021 and 2022 are identified and scheduled in the written reappraisal plan.

Verification of Sales Data and Property Characteristics

Sales information must be verified and property characteristic data contemporaneous with the date of sale captured. The sales ratio analysis requires that the sales record must accurately reflect the property appraised in order that statistical analysis results will be valid and therefore be an accurate example of the universe of properties to which any adjustments will be applied. The conditions of each sale are investigated and confirmed, to the greatest extent possible, to determine its applicability to the overall market analysis. Properties exhibiting a typically high or low sales ratio (outliers) are especially scrutinized with reference to the Texas Property Tax Code definition of market value and may be excluded from the general market analysis if the transaction conditions do not correspond to the aforementioned definition of market value.

Pilot Study by Tax Year

New and/or revised mass appraisal models will be tested each tax year. Ratio studies, by market category, will be conducted on proposed values each tax year. Proposed values on each category will be tested for accuracy and reliability. Actual test results are compared with anticipated results and those models not performing satisfactorily are refined and retested. The procedures used for model specification and calibration are in compliance with USPAP, STANDARD RULE 6.

Valuation by Tax Year

Using market analysis of comparable sales and locally tested cost data (if available), valuation models are specified and 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. Performance standards are those as established by the IAAO Standard on Ratio Studies.

RESIDENTIAL REAL PROPERTY

**Sales Comparison Approach to Value
Cost Approach to Value**

Income Approach to Value

SPECIAL INVENTORY RESIDENTIAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

MULTIFAMILY RESIDENTIAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

COMMERCIAL REAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

VACANT REAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

INDUSTRIAL REAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

UTILITIES

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

MINERAL INTEREST

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

SPECIAL VALUATION PROPERTIES

Agricultural Use

Wildlife Management

Timber Use

BUSINESS TANGIBLE PERSONAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

INDUSTRIAL TANGIBLE PERSONAL PROPERTY

Sales Comparison Approach to Value

Cost Approach to Value

Income Approach to Value

Sales Comparison Approach to Value

The sales comparison approach to value is utilized by grouping or clustering sales within the specified neighborhoods and classification of properties. The sales are then tested against appraised values to indicate a ratio for the neighborhood. A neighborhood is a grouping of complementary land uses affected equally by the four forces that influence property value: social trends, economic circumstances, governmental contracts and regulations, and environmental conditions. These factors have an impact on the value of properties within this grouping and in turn on properties being appraised.

Individual neighborhood boundaries within the District vary according to market indications and the type of property being appraised. The boundaries of these neighborhoods may be physical, geographical, or political in nature. Generally, residential neighborhoods consist of individual subdivisions or clusters of subdivisions that contain similar properties located within the same school district. Commercial neighborhoods may be smaller areas within a city, an entire city, or rural area. Industrial neighborhoods may include the entire District. Defining neighborhood boundaries depends on the subject of the appraisal assignment.

If sufficient sales are not found, then sales from competing neighborhoods are found and appropriate adjustments are made in the form of market modifiers. These modifiers are applied to cost schedules to indicate mass appraisal values for a given neighborhood. Therefore, the sales comparison approach is actually blended with the cost approach to create a hybrid of these two approaches to value.

Cost Approach to Value:

The District uses a hybrid cost model developed from Marshall and Swift Valuation Service. The cost model categorizes and values property by class, age, condition, and extra items. Depreciation is derived by age/condition and any additional depreciation that may be necessary. Land value is added to indicate a preliminary market value for like properties within the subject neighborhoods. After cost schedules, depreciation, and land values are applied, then a market modifier may be necessary to adjust the values to actual market conditions. These modifiers apply to improvements only and do not adjust land values. Therefore, the cost approach to value is actually a hybrid of the sales comparison and cost approaches to value.

Market and Cost Reconciliation and Valuation

The replacement cost new of property improvements (RCN) less accrued depreciation (AD) plus land value (LV) equals market value (MV). As the cost approach separately

estimates both land and building value. Neighborhood analysis of market sales is used to achieve an acceptable sale ratio or level of appraisal. Market factors are developed from appraisal statistics provided from market analyses and ratio studies and are used to ensure that estimated values are consistent with the market and to reconcile cost indicators. The district's primary approach to the valuation of properties uses a hybrid cost-sales comparison approach. This type of approach accounts for neighborhood market influences not particularly specified in a purely cost model.

The following equation denotes the hybrid model used:

$$MV = LV + (RCN - AD)$$

Whereas, in accordance with the cost approach, the estimated market value (MV) of the property equals the land value (LV) plus contributory values and uses depreciated replacement costs, which reflect only the supply side of the market, it is expected that adjustments to the cost values may be needed to bring the level of appraisal to an acceptable standard as indicated by market sales. Thus, demand side economic factors and influences may be observed and considered. These market, or location adjustments, may be abstracted and applied uniformly within neighborhoods to account for location variances between market areas or across a jurisdiction. Whereas, in accordance with the Market Approach, the estimated market value (MV) of the property equals the basic unit of property, under comparison, times the market price range per unit for sales of comparable property. For residential property, the unit of comparison is typically the price per square foot of living area or the price indicated for the improvement contribution. This analysis for the hybrid model is based on both the cost and market approaches as a correlation of indications of property valuation. A significant unknown for these two indications of value is determined to be the rate of change for the improvement contribution to total property value. The measure of change for this property component can best be reflected and based in the annualized accrued depreciation rate. This cost related factor is most appropriately measured by sales of similar property. The market approach, when improvements are abstracted from the sale price, indicates the depreciated value of the improvement component, in effect, measuring changes in accrued depreciation, a cost factor. The level of improvement contribution to the property is measured by abstraction of comparable market sales, which is the property sale price less land value. The primary unknown for the cost approach is to accurately measure accrued depreciation affecting the amount of loss attributed to the improvements as age increases and condition changes. This evaluation of cost results in the depreciated value of the improvement component based on age and condition. The evaluation of this market and cost information is the basis of reconciliation and indication of property valuation under this hybrid model.

When the appraiser reviews a neighborhood, the appraiser reviews and evaluates a ratio study that compares recent sales prices of properties, appropriately adjusted for the effects of time, within a delineated neighborhood, with the value of the properties' based on the estimated depreciated replacement cost of improvements plus land value. The calculated ratio derived from the sum of the sold properties' estimated value divided by the sum of the time adjusted sales prices indicates the neighborhood level of appraisal based on sold properties. This ratio is compared to the acceptable appraisal ratio, 95% to 105%, to determine the level of appraisal for each neighborhood. If the level of appraisal for the neighborhood is outside the acceptable range of ratios, adjustments to the neighborhood are made.

If reappraisal of the neighborhood is indicated, the appraiser analyzes available market sales, appropriately adjusted for the apparent effects of time, by market abstraction of property components. This abstraction of property components allows the appraiser to focus on the rate of change for the improvement contribution to the property by providing a basis for calculating accrued depreciation attributed to the improvement component. This impact on value is usually the most significant factor affecting property value and the most important unknown to determine by market analysis. Abstraction of the improvement component from the adjusted sale price for a property indicates the effect of overall market suggested influences and factors on the price of improvements that were a part of this property, recently sold. Comparing this indicated price or value allocation for the improvement with the estimated replacement cost new of the improvement indicates any loss in value due to accrued forms of physical, functional, or economic obsolescence. This is a market driven measure of accrued depreciation and results in a true and relevant measure of improvement marketability, particularly when based on multiple sales that indicate the trending of this rate of change over certain classes of improvements within certain neighborhoods. Based on this market analysis, the appraiser estimates the annual rate of depreciation for given improvement descriptions considering age and observed condition. Once estimated, the appraiser recalculates the improvement value of all property within the sale sample to consider and review the effects on the neighborhood sale ratio. After an acceptable level of appraisal is achieved within the sale sample, the entire neighborhood of property is recalculated utilizing the indicated depreciation rates taken from market sales. This depreciation factor is the basis for trending all improvement values and when combined with any other site improvements and land value, brings the estimated property value through the cost approach closer to actual market prices as evidenced by recent sale prices available within a given neighborhood. Therefore, based on analysis of recent sales located within a given neighborhood, estimated property values will reflect the market influences and conditions only for the specified neighborhood, thus producing more representative and supportable values. The estimated property values calculated for each update neighborhood are based on market indicated factors applied uniformly to all properties

within a neighborhood. Finally, with all the market-trend factors applied, a final ratio study is generated that compares recent sale prices with the proposed appraised values for these sold properties. From this set of ratio studies, the appraiser judges the appraisal level and uniformity in both update and non-update neighborhoods and verifies appraised values against overall trends as exhibited by the local market, and finally, for the school district as a whole.

Income Approach to Value:

The income approach to value or rent multipliers are currently not a reliable indicator of value for residential mass appraisal reports unless rents are specified. Databases or data sources for income producing residential properties are not available in the Glasscock County area. Therefore, the income approach to value is not used in the residential mass appraisal report but is used for other types of properties.

Additional information concerning approaches to value for specific types of properties, such as minerals, utilities, industrial, railroads, pipelines, industrial personal property, etc. may be found in the Plan provided by the Appraisal Company that performs those appraisals and is attached to this plan by reference.

Special Valuation Process:

Agricultural Use: Market value for agricultural property is established by acceptable appraisal methodology.

The District also values agricultural property by the income approach as set forth in the Texas Property Tax Code. This is a special valuation process as there are parameters set forth in the Code regarding capitalization rates. Income and expenses for each different category of agricultural use is estimated from surveys, actual rental data obtained by property owners as well as conversations with local governmental agencies. The formula used is set out by the Texas Property Tax Code and is as follows: net-to-land (all ag related income streams – all ag related expenses) / cap rate = ag value

Value Defense

Evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal and formal appraisal review board hearings is specified and tested. Taxpayers have the option to present their concerns informally to the chief appraiser, or by appointment with Pritchard & Abbott, Inc., staff. Should an understanding not be reached informally, the taxpayer may present their arguments to the Appraisal Review Board as a formal appeal. The appraisal staff provided by Pritchard & Abbott, Inc., and/or contracted services defends the position of the chief appraiser before the ARB. The Appraisal District has the burden of proof for the value as notified. Evidence for further consideration by the CAD or the ARB should be presented by the taxpayer.

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 15th). 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 6-9 of USPAP. This written reappraisal plan is attached to the Mass Appraisal Report by reference.

THE WRITTEN REAPPRAISAL PLANS FOR GLASSCOCK COUNTY APPRAISAL DISTRICT (GCAD)

PLANNING A REAPPRAISAL

Variation in reappraisal requirements requires Glasscock County Appraisal District to carefully plan its work before beginning any reappraisal. Although the planning process may vary in specifics, it should involve 5 basic steps:

1. Assess current performance.
2. Set reappraisal goals.
3. Assess available resources and determine needs.
4. Re-evaluate goals and adjust as necessary.
5. Develop a work plan.

STEPS IN A REAPPRAISAL

The International Association of Assessing Officers (IAAO) textbook, *Property Appraisal and Assessment Administration*, lists steps in a reappraisal. These steps outline those activities performed by Glasscock County Appraisal District for the completion of periodic reappraisals. Activities are listed below in the order in which they occur:

1. Performance Analysis:
 - Ratio study
 - Equity of existing values
 - Consistency of values with market activity
2. Revaluation Decision:
 - Statutory – at least once every three years
 - Administrative policy
3. Analysis of Available Resources:
 - Staffing
 - Budget
 - Existing practices
 - Information system support
 - Existing data and maps
4. Planning and Organization
 - Target completion dates
 - Identify performance objectives
 - Specific action plans and schedules

- Identify critical activities with completion dates
- Set production standards for field activities
- 5. Mass Appraisal System:
 - Forms and procedures revised as necessary
 - CAMA (computer assisted mass appraisal) system revisions as required
- 6. Conduct Pilot Study
 - Test new/revised appraisal methods as applicable
 - Conduct ratio studies
 - Determine if values are accurate and reliable
- 7. Data Collection
 - Building permits and other sources of new construction
 - Check properties that have undergone remodeling
 - Re-inspection of problematic properties
 - Re-inspection of universe of properties on a cyclic basis
- 8. Valuation:
 - Market analysis (based on ratio studies)
 - Schedules development
 - Application of revised schedules
 - Calculation of preliminary values
 - Tests of values for accuracy and uniformity
- 9. Value Defense:
 - Prepare and deliver notices of value to property owners
 - Hold informal hearings
 - Schedule and hold formal appeal hearings

** Note – the burden of proof (evidence) of notified market values and equity falls on the appraisal district.**

**Glasscock County Appraisal District (GCAD)
Residential, Commercial, Rural and Personal Property
2021-2022 Reappraisal Plan**

Pursuant to Section 25.18 of the Texas Property Tax Code, the Glasscock County Appraisal District has established the following reappraisal plan to provide for the reappraisal of all property within the district at least once every other year. The plan established a two-fold approach:

1. **Two-Year Cycle:** Glasscock County Appraisal District is divided into two areas. Each year, all real, residential and commercial property within one of the areas will be reappraised, regardless of any ratio study/report findings. These areas are identified as follows:
 - a. Area One: (2021) All property North of Hwy 158 & South of Hwy 158; along with Rural Land, unresolved parcels from previous years, etc...
 - b. Area Two: (2022) All property South of Hwy 158; along with Rural Land, unresolved parcels from previous years, etc...

As mentioned prior, these yearly plans are designed to be flexible within the overall reappraisal plan. The specific workload within and between plan years may need to be adjusted to provide for complete and accurate reappraisals.

Note: all income producing personal property within the GCAD is appraised on an annual basis, regardless of its location.

2. **Annual Market Analysis:** In addition to the two-year cycle stated above, ratio studies shall be performed annually to determine areas or categories of properties within the GCAD which need to be reappraised within the current year based on sales ratios. Any area or categories whose ratios are above or below statutory requirements shall be reappraised in the current year regardless of the area in which they are located.

3. **Market Areas Defined:**

Personal Property Market Areas:

Market areas for personal property are generally local or regional in scope. For Glasscock County, the personal property market area is county wide having no definite distinction between school district and municipal boundaries. The CAD will conduct ratio studies calculation measures of central tendencies for each market area when possible.

Residential Market Areas:

Glasscock County's market area is county wide. Garden City is the county seat, but is not incorporated; although it contains the courthouse and county offices it has little growth and few commercial businesses. There is no distinction between residential sales for different locations within the county. The CAD will conduct ratio studies calculation measures of central tendencies for each market area when possible.

Rural Land Markets:

The rural market area for Glasscock County is county wide. There is no distinction between land sales for different locations within the county. The CAD will conduct ratio studies calculation measures of central tendencies for each market area when possible.

This two-fold approach will insure not only that all residential and commercial property within the GCAD is reappraised at least once every two years, but also that all other categories within the GCAD are reviewed annually so that the appraisal district stays current with respect to market value in those areas where residential and/or commercial property values appear to be changing rapidly.

Organization

Field inspections are carried out by the chief appraiser with assistance from contacted services. The field appraiser physically inspects areas required by the reappraisal cycle, checks all existing data, works building permits (if available), takes photographs of improvements (if possible),

draws plans of new improvements for entry into computer and rechecks any property on which a question or problem has arisen. Other duties may be required and will be executed upon direction of the chief appraiser. Data entry of field work notes and sketches are performed by the chief appraiser.

The chief appraiser will perform market analysis. Sales data is gathered throughout the year by the chief appraiser from deed records, sales confirmation letters from property owners and other sources if available. The market data is analyzed, sales data is confirmed, outliers are identified, existing classification system is reviewed, market schedules are reviewed and updated as necessary, and final market schedules are presented to the chief appraiser for discussion and application to the universe of properties.

GCAD Plan for Periodic Reappraisal of Agricultural Use Properties

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

- (a) CAD shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(i).
- (b) The plan provides for annual reappraisal of all agricultural use property appraised by the CAD. The CAD has a professional services contract with Eagle Property Tax Appraisal & Consulting, Inc., to appraise these properties for the CAD.
 - (1) Meet with the Glasscock CAD Ag Advisory Board
 - (2) Provide an Ag Use Schedule; and,
 - (3) Meet with property owners who appear before the ARB to provide Ag Use Support.
 - (4) Represent the CAD at informal and/or formal Texas Comptroller of the Public Account Property Tax Assistance Division hearings relative to the Ag Use Schedule values.

(See Attachment B)

GCAD Plan for Periodic Reappraisal of Industrial Real Property

The GCAD Board of Directors contract with, Pritchard & Abbott, Inc., for all Industrial Real Property. (See Attachment C)

GCAD Plan for Periodic Reappraisal of Industrial Real Property

The GCAD Board of Directors contract with Pritchard & Abbott, Inc., for all Industrial Personal Property. (See Attachment C)

Industrial Personal and Utility Property, Railroad and Pipeline Property

The GCAD Board of Directors contract with Pritchard & Abbott, Inc., for all Utility Property, Railroad and Pipeline Property. (See Attachment C)

GCAD Plan for Periodic Reappraisal of Oil and Gas Property

The GCAD Board of Directors contract with Pritchard & Abbott, Inc., for all Oil and Gas Property. (See Attachment C)

The Mass Appraisal Report

(See Attachment B)

(See Attachment C)

(See Attachment D)

2021 Schedule of Events

September 2020: Board approves final Budget by September 15th.

November 2020 - March 2021: Begin and complete field inspections of all real property & personal property.

October 2020 - January 2021: Commercial and residential schedules and depreciation tables are modified to reflect current market conditions.

December 2020 - February 2021: Conduct and complete residential, rural and commercial land valuation studies.

January 1: Formal date of property values for the year 2021 (Sec 23.01). New property records added; reappraise due to added improvements or other property value changes; correction of clerical errors on records.

January 1, 2021 - April 15, 2021: Receive and process property owners submitted property renditions (Sec 22.23).

January 1, 2021 - May 1, 2021: Receive and process applications for exemptions and special appraisal through March 31, 2021.

January 1, 2021 - December 31, 2021: Research courthouse records for ownership changes and update taxpayer information as needed.

January 2021: Personal Property schedules are modified for 2021.

January - March 2021: Field inspections of all mobile home parks.

January - March 2021: Complete specifications of all valuation models.

February - March 2021: Work commercial vehicle registration list.

February - June 2021: Work personal property renditions.

March 2021: Chief Appraiser prepares the preliminary Budget. Review and consider conclusions and recommendations of district's Agricultural Advisory Board.

March 31, 2021: Complete work of utility notifications and the inspection of demolished or burned property for the 2021 tax year.

April 2021: Calculate Agricultural values based on local data.

April 2021: Review exemption and special-use appraisal applications.

April 1, 2021 or as soon thereafter; Mail written appraisal notices in compliance with Section 25.19 (g) of the Property Tax Code.

April 29, 2021: Present entities with certified estimates.

May - June 2021: Informal meetings with taxpayers and or agents.

June - August 2021: Formal protest hearings with ARB. Enter changes as ordered by ARB decision.

June 15, 2021: Target date for Chief Appraiser to present the appraisal records to the ARB for approval.

July 25, 2021: Target date for Chief Appraiser to certify the appraisal roll to each of the taxing jurisdictions in Glasscock County.

July 2021: Integrate contractor's valuation for minerals and industrial personal property into the district CAMA computer system.

2022 Schedule of Events

September 2021: Board approves final Budget by September 15th. Personal property field inspections.

November 2021 - March 2022: Begin and complete field inspections of all real property.

October 2021 - January 2022: Commercial and residential schedules and depreciation tables are modified to reflect current market conditions.

December 2021 - February 2022: Conduct and complete residential, rural and commercial land valuation studies.

January 1: Formal date of property values for the year 2022 (Sec 23.01). New property records added; reappraise due o added improvements or other property value changes; correction of clerical errors on records.

January 1, 2022 - April 15, 2022: Receive and process property owners submitted property renditions (Sec 22.23).

January 1, 2022 - May 1, 2022: Receive and process applications for exemptions and special appraisal through March 31, 2022.

January 1, 2022 - December 31, 2022: Research courthouse records for ownership changes and update taxpayer information as needed.

January 2022: Personal Property schedules are modified for 2022.

January - March 2022: Field inspections of all mobile home parks.

January - March 2022: Complete specifications of all valuation models.

February - March 2022: Work commercial vehicle registration list.

February - June 2022: Work personal property renditions.

March 2022: Chief Appraiser prepares the preliminary Budget. Review and consider conclusions and recommendations of district's Agricultural Advisory Board.

March 31, 2022: Complete work of utility notifications and the inspection of demolished or burned property for the 2022 tax year.

April 2022: Calculate Agricultural values based on local data.

April 2022: Review exemption and special-use appraisal applications.

April 1, 2022 or as soon thereafter; Mail written appraisal notices in compliance with Section 25.19 (g) of the Property Tax Code.

April 29, 2022: Present entities with certified estimates.

May - June 2022: Informal meetings with taxpayers and or agents.

June - August 2022: Formal protest hearings with ARB. Enter changes as ordered by ARB decision.

June 15, 2022: Target date for Chief Appraiser to present the appraisal records to the ARB for approval.

July 25, 2022: Target date for Chief Appraiser to certify the appraisal roll to each of the taxing jurisdictions in Glasscock County.

July 2022: Integrate contractor's valuation for minerals and industrial personal property into the district CAMA computer system.

Note: The field appraiser shall physically inspect all property as described in Area Two (2).

PUBLIC MEETING HELD: AUGUST 13, 2020
APPROVED by GLASSCOCK COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS

VICE - 
CHAIRMAN

8-13-2020
DATE

GLASSCOCK COUNTY
APPRAISAL DISTRICT

REAPPRAISAL PLAN

(Attachment A)

GCAD

2021 Approved Budget

NAME	2020	2021	Dollar Amt	% Change
Payroll Costs				
Appraisal Office	\$ 108,000.00	\$ 108,000.00	\$ -	0.00%
Business Allowances	\$ 1,200.00	\$ 1,200.00	\$ -	0.00%
Car Allowances	\$ 6,000.00	\$ 6,000.00	\$ -	0.00%
Part-time/Merit	\$ 850.00	\$ 500.00	\$ (350)	-41.18%
FICA/Medicare	\$ 9,500.00	\$ 9,350.00	\$ (150)	-1.58%
Retirement	\$ 11,000.00	\$ 12,000.00	\$ 1,000	9.09%
Death Benf	\$ 600.00	\$ 600.00	\$ -	0.00%
Health Insurance	\$ 14,524.00	\$ 14,524.00	\$ -	0.00%
Workman's Compensation	\$ 1,000.00	\$ 1,000.00	\$ -	0.00%
Unemployment Compensation	\$ 1,000.00	\$ 1,000.00	\$ -	0.00%
	\$ 153,674.00	\$ 154,174.00	\$ 500	0.33%
Purchases & Contracts/Services				
Appraisal Review Board	\$ 3,500.00	\$ 3,500.00	\$ -	0.00%
Audit Services	\$ 3,500.00	\$ 3,500.00	\$ -	0.00%
CPA Services	\$ 2,700.00	\$ 2,700.00	\$ -	0.00%
Contract Services	\$ 1,200.00	\$ 1,200.00	\$ -	0.00%
Data Processing Services	\$ 16,500.00	\$ 16,000.00	\$ (500)	-3.03%
Electricity Service	\$ 2,100.00	\$ 2,100.00	\$ -	0.00%
Telephone Service	\$ 3,000.00	\$ 3,000.00	\$ -	0.00%
Insurance-Contents & Bldg.	\$ 700.00	\$ 700.00	\$ -	0.00%
Legal Services	\$ 2,800.00	\$ 2,800.00	\$ -	0.00%
Equipment Maint. & Repair	\$ 4,300.00	\$ 4,300.00	\$ -	0.00%
Evaluation Services	\$ 210,250.00	\$ 215,650.00	\$ 5,400	2.57%
Mapping	\$ 4,200.00	\$ 4,200.00	\$ -	0.00%
	\$ 254,750.00	\$ 259,650.00	\$ 4,900	1.92%
Supplies and Materials				
Book, Mag. & Periodicals	\$ 1,000.00	\$ 1,000.00	\$ -	0.00%
Forms/Printing	\$ 4,500.00	\$ 4,500.00	\$ -	0.00%
Postage	\$ 4,000.00	\$ 4,000.00	\$ -	0.00%
Supplies and Materials	\$ 4,750.00	\$ 4,750.00	\$ -	0.00%
	\$ 14,250.00	\$ 14,250.00	\$ -	0.00%
Other Operating Expenses				
Assn Dues/Membership	\$ 1,200.00	\$ 1,200.00	\$ -	0.00%
Legal Notice & Adv.	\$ 2,000.00	\$ 2,000.00	\$ -	0.00%
Education & Travel	\$ 10,000.00	\$ 10,000.00	\$ -	0.00%
	\$ 13,200.00	\$ 13,200.00	\$ -	0.00%
Capital Outlay				
Building Rent	\$ 12,000.00	\$ 12,000.00	\$ -	0.00%
Small Equipment & Materials	\$ 2,000.00	\$ 2,000.00	\$ -	0.00%
	\$ 14,000.00	\$ 14,000.00	\$ -	0.00%
Contingency Fund				
	\$ 511,866.63	\$ 517,266.63	\$ 5,400	1.06%
Less Contingency Fund	\$ 61,992.63	\$ 61,992.63	\$ -	0.00%
	\$ 449,874.00	\$ 455,274.00	\$ 5,400	1.20%

Vice-Chairman John Nicholas

Date 8-13-2020

GLASSCOCK COUNTY
APPRAISAL DISTRICT

REAPPRAISAL PLAN

(Attachment B)

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

REAPPRAISAL PLAN

2021-2022

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 the location and market area of property, physical attributes of property such as size, age, and condition, legal and economic attributes, and the identification of 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)

The Glasscock CAD, by policy adopted by the Board of Directors and the Chief Appraiser, reappraises all property in the district every year. The reappraisal may consist of field inspections, CAMA, or both. The reappraisal year is a complete appraisal of all properties in the district. Tax year 2021 is a reappraisal year and tax year 2022 is a reappraisal year.

Additionally, 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. However, since building permits are not required for properties outside the city limits, District staff maintains a file of newspaper clippings that pertain to changes in property and all District staff remains alert to visual changes in properties. Throughout the year, notes are made on those visual changes and all information is provided to the field appraiser. The field appraiser 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.

Eagle Property Tax Appraisal & Consulting, Inc. compiles all sales by school district. Problematic areas are further researched and may indicate the use of 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 key events with critical completion dates is prepared for each area of work. This calendar identifies key events for appraisal, clerical, customer service, and information systems. A calendar is prepared for years 2021 and 2022. 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 the first Tuesday following Labor Day in September, 2020 and will complete all inspections and schedules by April 1, 2021 for the 2021 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, 2021 and will complete all inspections and schedules by April 1, 2022 for the 2022 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.