

JACK COUNTY APPRAISAL DISTRICT

WRITTEN PLAN FOR PERIODIC REAPPRAISAL

FOR

2023/2024

**AS ADOPTED BY THE BOARD OF DIRECTORS
July 19, 2022**

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EXECUTIVE SUMMARY

TAX CODE REQUIREMENT:

Section 6.05 of the Texas Property Tax code, Subsection (i) reads as follows:

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

Plan for Periodic Reappraisal Requirement:

Section 25.18, Subsections (a) and (b) to read as follows:

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

- the properties being appraised; and
7. reviewing the appraisal results to determine value.

REVALUATION DECISION (REAPPRAISAL CYCLE):

The Jack CAD, by policy adopted by the Board of Directors and the Chief Appraiser, reappraises all property in the district every year. For the 2023-2025 tax years, Western Valuation and Consulting will be appraising all real property within Jack County. The Jack CAD staff will also be reappraising within these years as well. The reappraisal year is a complete appraisal of all properties in the district. Tax year 2023 is a reappraisal year and tax year 2024 is a reappraisal year.

The reappraisal plan hearing was held on July 19th, 2022.

The Board of Directors adopted this plan on July 19th, 2022.

PERFORMANCE ANALYSIS:

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. Mean, median, and weighted ratios are calculated for properties in reporting categories to measure the level of appraisal accuracy. The mean ratio is calculated in each reappraised category to indicate the level of appraisal accuracy by property reporting category. In 2023, the reappraisal year, this analysis is used to develop the starting point for establishing the level and accuracy of appraisal performance. In 2024, the reappraisal year, this analysis is used to develop the starting point for establishing the level and accuracy of appraisal performance. In 2023 and 2024, any reporting category that may have been excluded from reappraisal due to lack of data to support reappraisal will be tested and analyzed to arrive at an indication of uniformity or equity of existing appraisals.

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 of the Jack County Appraisal District, and attached to the written biennial plan by reference. This reappraisal plan is adjusted to reflect the available staffing in tax year 2023 and anticipated staffing for tax year 2024. Budget restraints can impact the cycle of real property re-inspection and personal property on-site review that can be accomplished in the 2023-2024 time period.

Existing appraisal practices, which are continued from year to year, are identified and methods utilized to keep these practices current. In the reappraisal year, real property appraisal depreciation tables are tested against verified sales data to ensure they represent current market data. Personal property density schedules are tested and analyzed based on renditions and prior year documentation. Due to lack of sales of personal property in the district, the Comptroller's Guide is utilized to appraise personal property and for testing and analysis purposes.

Information Systems (IS) support is detailed and system upgrades are scheduled. 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 and is attached. This calendar identifies key events for appraisal, clerical, customer service, and information systems. A calendar is prepared for tax years 2023 and 2024. Production standards for field activities are calculated and incorporated in the planning and scheduling process.

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. Jack County Appraisal District contracted with the firm of Pritchard & Abbott, Inc. for these services.

Real Property Valuation

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

Cost schedules are tested with market data (sales) to ensure 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.

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

Density schedules are tested using data received during the previous tax year from renditions and hearing documentation. Valuation procedures are reviewed, modified as needed, and tested. The latest edition of the Comptroller's Guide is utilized heavily in the appraisal of personal property in the district.

Noticing Process

25.19 appraisal notice forms are provided by the IS Provider. The Provider reviews and edits for updates and changes required by legislative mandates. The district publishes, in the local newspaper, information about the notices and how to protest. The district makes available the latest copy of the Comptroller's pamphlet *Property Taxpayer Remedies*.

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.

DATA COLLECTION REQUIREMENTS:

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

New Construction/Demolition

New construction field and office review procedures are identified and revised as required. Sources of building permits are confirmed. The Cities of Jacksboro and Bryson provides a listing of permits issued during the previous year.

Remodeling

Properties with extensive improvement remodeling are identified and field inspections are scheduled to update property characteristic data.

Re-inspection of Problematic Market Areas

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

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 6 years. Jack CAD has made the decision to reinspect all parcels on a three-year cycle. The re-inspection includes physically viewing the property, photographing, and verifying the accuracy of the existing data. The field appraiser has an appraisal card of each property to be inspected and makes notes of changes, depreciation changes,

remodeling, additions, etc. The annual re-inspection requirements for tax years 2023 and 2024 are identified and scheduled in the written reappraisal plan.

Field or Office 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 tools require that the property that sold must equal the property appraised in order that statistical analysis results will be valid.

PILOT STUDY BY TAX YEAR:

New and/or revised mass appraisal models are tested each tax year. Ratio studies, by market area, are conducted on proposed values each tax year. Proposed values on each category are 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 5. The appraisal model used to determine property value is listed as follows.

Market Value of Residential Property:

Market Value of Residential Property=

Replacement Cost New X Total Percent Good + Depreciated Additive Values + Land Value

(Adjusted by Market Indicators as determined by Sales Data, as available)

VALUATION BY TAX YEAR:

Using market analysis of comparable sales and locally tested cost data, valuation models (Cost Per Square Foot Schedules) 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*. Property values in all market areas are updated each reappraisal year.

THE MASS APPRAISAL REPORT:

Each tax year, the 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 – 3 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 report by reference.

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.

THE WRITTEN REAPPRAISAL PLAN FOR JACK COUNTY APPRAISAL DISTRICT

PLANNING A REAPPRAISAL

Variation in reappraisal requirements requires Jack County Appraisal District to carefully plan its work before beginning any reappraisal. Although the planning process may vary in specifics, it should involve five (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 ten steps in a reappraisal. These steps outline those activities performed by Jack 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
 - reinspection of problematic properties
 - reinspection 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. The Mass Appraisal Report
 - establish scope of work
 - compliance with Standards Rule 6-2 of USPAP
 - signed certification by the chief appraiser as required by Standards Rule 6-3 of USPAP
- 10. 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 market values and equity falls on the appraisal district.

Jack County Appraisal District Residential, Commercial, Rural, and Personal Property 2023/2024 Reappraisal Plan

Pursuant to Section 25.18 of the Texas Property Tax Code, the Jack County Appraisal District has established the following reappraisal plan to provide for the reappraisal of all property within the district at least once every three (3) years. The plan establishes a two-fold approach:

1. **Three-Year Cycle:** Jack County is mainly rural. The CAD is divided into three areas. Each year, all real residential and commercial property within one of the market areas will be reappraised, regardless of any ratio study/report findings. If need be, other market areas may be reappraised in each year as well. These market areas are defined as follows:
 - a. Area One: All of the school district of Jacksboro ISD to be completed in 2023 by Western Valuation. Jack CAD staff will also be reappraising property within Jack county as well.
 - b. Area Two: All of the Perrin Whitt CISD and Graford ISD to be completed in 2024 by Western Valuation. Jack CAD staff will also be reappraising property within Jack county as well.
 - c. Area Three: All of the Bryson ISD, Midway ISD, and Bowie ISD to be completed in 2025. Jack CAD staff will also be reappraising property within Jack county as well.

****Note:** If time allows, we will begin on future years.

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

2. **Annual Ratio Reports:** In addition to the three-year cycle stated above, ratio studies shall be performed annually to determine areas or categories of properties within the CAD which need to be reappraised within the current year based on sales ratios. Any areas 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.

This two-fold approach will insure not only that all residential and commercial property within the CAD is reappraised at least once every three years, but also that

all other categories within the CAD 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 field appraiser as directed by the chief appraiser. The field appraiser physically inspects areas required by the reappraisal cycle, checks all existing data, works building permits, takes photographs of improvements, draws plans of new improvements for entry into the computer, 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 is performed by appraisal district staff.

The chief appraiser performs market analysis. Sales data is gathered throughout the year from deed records, sales confirmation letters from property owners, and other sources. 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 applied to the universe of properties.

2023 Reappraisal Schedule

- August-December 2022:** Begin/continue field inspections. Gather sales data from all available sources.
- January 2023:** Homestead exemption forms mailed to new property owners, special-use valuation applications mailed, business personal property rendition forms mailed, exemption applications mailed, land lease surveys mailed and any other required forms. Homestead exemption verification. Continue field inspections as provided by the reappraisal plan area.
- February 2023:** Continue field inspections as provided by the reappraisal plan area. Begin running sales ratio reports. Compare with CAD values and sales information. Identify necessary schedule

adjustments.

- March 2023:** Continue running sales ratio reports.
Refine sales analysis and mass appraisal schedules.
Statistically test schedules.
Assist field appraiser with reappraisal functions as needed.
Finalize all field work and data collection activities.
Homestead exemption forms processed.
1-d-1 ag applications processed.
Begin processing business personal property renditions.
- April 2023:** Continue and complete processing business personal property renditions.
Complete data entry of all reappraisal and maintenance changes.
Execute mass appraisal/maintenance activities as required.
Prepare for mailing 2023 Notices of Value.
- April 15 Rendition deadline (unless an extension has been requested and granted)
- April 30 Deadline to provide certified estimated values to taxing units.
Deadline for Homestead exemption-no later than April 30.
Deadline for 1-d-1 ag application before May 1.
- May 2023:** Hold informal hearings.
Respond to property owners' inquiries, protests, and questions from notice mailings.
Prepare for ARB hearings.
- May 1 Mail Notices of Appraised Value.
- May 15 Deadline for Chief Appraiser to submit appraisal records to ARB.
Rendition deadline (if extension requested).
- May 31 Usual protest deadline-on or before May 31 (or 30 days after a Notice of Appraised Value was mailed, whichever was later).
- June 2023:** Hold ARB hearings.
Enter into computer all changes as ordered by ARB.
Process and mail ARB orders.
- June 15 Submit proposed 2024 budget to CAD board and taxing units.
- July 2023:** Hold 2nd set of ARB hearings (if needed).
ARB approval of appraisal records by July 20th.
Certification of appraisal records and values to taxing units by July 25th.

August 2023:	Tax rate calculations and publications (Tax Collector).
September 2023:	Inspections for 2024 begin as provided by the reappraisal plan area. 2024 Appraisal District budget adopted by Sept.15 2024 tax rates set by entities.
October 2023:	2023 Tax Statements mailed (Tax Collector). Inspections continue.
November 2023:	Inspections continue.
December 2023:	Inspections continue. Begin planning sales ratio studies for all areas within the CAD. Gather current sales data from sales confirmation letters, deed records, and other sources.
As needed throughout the year:	Handle any outstanding protests by scheduling ARB hearings.

2024 Reappraisal Schedule

The same timetable and duties apply in each year. The field appraiser shall physically inspect all property as described in the reappraisal plan area for 2024. The chief appraiser and CAD staff shall continue to complete the same duties and reappraisal steps as outlined for 2023.