



YOUNG CENTRAL APPRAISAL DISTRICT

2025 & 2026 – REAPPRAISAL PLAN Public Hearing & Adopted date by the Board of Directors 9-11-2024

This Appraisal Plan is being submitted as a tool to organize the reappraisal process for the Young Central Appraisal District. This plan attempts to outline the necessary work to complete a phase of reappraisal over the next two years. As we progress into the actual reappraisal process, we reserve the right to modify the plan as required in order to meet the requirements for this office as set forth in the Texas Property Tax Code.

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Introduction

The Young Central Appraisal District (YCAD), pursuant to Sec. 6.05 (i) & 25.18 of the Texas Property Tax Code, has prepared and published this reappraisal plan to provide our Board of Directors, taxing jurisdictions, property owners, and the public in general, with a better understanding of the district's goals, responsibilities and activities.

This biennial reappraisal plan is required by the Texas Property Tax Code and contains a general introduction to YCAD's statutory role in the property tax system and several sections describing the proposed reappraisal effort by the appraisal departments within YCAD. YCAD is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A five-member Board of Directors - comprised of five members appointed by the taxing units within the boundaries of Young County, constitutes the district's governing body. The Chief Appraiser, appointed by the Board of Directors, is the chief administrator and chief executive officer of the appraisal district. The chief appraiser is allowed, by law, to delegate authority and appraisal responsibilities to his/her employees.

The purpose of a reappraisal is for the appraisal district to implement routine reappraisals to ensure accuracy in the district's records and to be in line with the local real estate market when establishing appraisal values for a given tax year. This plan consists many facets, and varying degrees of complexity regarding the general appraisal process, but consists of a general introduction, and the scope of work planned by the appraisal district under the guidelines as described therein.

Definition of the Reappraisal Plan & General Overview of the Tax Code Requirements

Passage of Senate Bill 1652 in 2005 amended the Property Tax Code to require each Appraisal District to prepare a biennial reappraisal plan which will serve as the scope of work in accordance with the Uniform Standards of Professional Appraisal Practices. The following details the Tax Code requirements:

Section 6.05 (i) – Appraisal Office:

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 for 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.

Section 25.18,- Periodic Reappraisals:

- (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.

(c) A taxing unit by resolution adopted by its governing body may require the appraisal office to appraise all property within the unit or to identify and appraise newly annexed territory and new improvements in the unit as of a date specified in the resolution. On or before the deadline requested by the taxing unit, which deadline may not be less than 30 days after the date the resolution is delivered to the appraisal office, the chief appraiser shall complete the appraisal and deliver to the unit an estimate of the total appraised value of property taxable by the unit as of the date specified in such resolution. The unit must pay the appraisal district for the cost of making the appraisal. The chief appraiser shall provide sufficient personnel to make the appraisals required by this subsection on or before the deadline requested by the taxing unit. An appraisal made pursuant to this subsection may not be used by a taxing unit as the basis for the imposition of taxes.

The Young Central Appraisal District (CAD), is an independent political subdivision of the State of Texas, established to appraise all taxable property within its jurisdiction at current market value, as described within the Texas Property Tax Code. The creation of appraisal districts was passed with the 66th Legislative Session in 1980, and approved by the voters in the November 1980 general election. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district, and its operations.

The appraisal district is responsible for the property appraisals, and exemption administration for the jurisdictions or taxing entities within the county, for the purpose of ad valorem taxation. Each taxing jurisdictions sets their own tax rates, to generate revenue to support/fund such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. The values set forth by the appraisal district, gives the estimate used to allocate the year's tax burden on the basis of each property's "taxable" value, after all exemptions and adjustments are accounted for. The district also determines eligibility for various types of property tax exemptions such as the general homestead exemption, the elderly and disabled, disabled veterans, charitable or religious organizations, agricultural productivity valuation, etc.

The district is responsible for establishing and maintaining approximately 30,634 real, mineral and personal property accounts covering 931 square miles within Young County.

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

** exposed for sale in the open market with a reasonable time for the seller to find a purchaser;*

** both the seller and the buyer know of all the uses and purposes to which the property is adapted, which it is capable of being used and of the enforceable restrictions on its use;*

** 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.*

Per Section 21.01, real property values are determined as of January 1st, unless special appraisal provisions are otherwise provided. Section 21.02 states that business personal property values are also determined as of January 1st, unless a special provision, provided within the Tax Code, is provided.

Chapter 23, Subchapter A. is entitled “*Appraisals Generally*” and further defines the scope of work required for local property tax appraisals. Section 23.01(a) states that “*Except as otherwise provided by this chapter, all taxable property is appraised at its market value as of January 1.*” Section (b) further mandates, “*The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the appraisal district determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice. The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. However, each property shall be appraised based upon the individual characteristics that affect the property’s market value, and all available evidence that is specific to the value of the property shall be taken into account in determining the property’s market value*”.

The chief appraiser and district staff are further instructed to consider the cost, income and sales comparison methods of appraisal and to use the most appropriate valuation method to determine the market value for each property. Section 23.01, subsection (e) was added in 2009 and amended in 2019 to address the valuation of properties lowered in a previous year under the Remedies (Subtitle F) section of the tax code. Section 23.01(e) prohibits a chief appraiser from raising the value of these properties, in the following year unless the increase is supported by clear and convincing evidence.

The subsection also places conditions on the valuation of properties that were lowered in the previous year, related to remedies for unequal appraisal. Additional instructions related to the consideration of foreclosure sales were also provided relative to the appraisal of a residential homestead property

The remainder of Chapter 23 of the tax code provides for a host of special appraisal provisions to be used in the valuation of specific types of properties. For example, there are instructions for the appraisal of residential real property inventory (§ 23.12), dealer’s inventory (§ 23.121, 23.124, 23.1241 and 23.127), taxable leaseholds (§ 23.13), oil or gas interests (§ 23.175), homeowner’ organization property (§ 23.18), low income, tax credit housing (§ 23.215), residential homestead property (§ 23.23), agricultural use land (§ 23.41), open-space land (§ 23.52), and public access airport property (§ 23.91). The scope of the appraisal assignment will vary for those properties that are subject to special appraisal provisions as provided by Chapter 23 or Chapter 25 of the property tax code.

Reappraisal Statutory Responsibilities and Requirements

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 district’s current policy is to conduct a general reappraisal of taxable property every year. The purpose of a reappraisal is to establish the market value for the properties and to review values for equality and uniformity. Based on current market conditions, the market value of a property may be increased, decreased or not subject to change. Appraised values are reviewed annually and are subject to change.

The appraised value of real estate is calculated using specific information about each property. Using computer-assisted mass appraisal programs, and recognized appraisal methods and techniques, we compare that information with the data for similar properties, and with recent cost and market information. The district follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards promulgated by the Appraisal Foundation, known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable.

The district conducts an onsite field review of real and personal property in a portion of the county annually as part of a reappraisal cycle. During an onsite field review, the appraisal staff will generally measure a new home or building or remeasure existing improvements. They also observe, document and record new or existing property characteristics and record land parcel characteristics. Appraisers observe property characteristics from the property's exterior, whereas the commercial and personal property staff may need to enter a property or business to complete the review. The business personal property (BPP) staff will attempt to speak with someone on site to review info, while trying to not disrupt the business. Supplemental questions can be answered via a follow-up phone call or other research methods discussed in this document under the BPP section.

YCAD appraisers have access to key information to assist in both onsite field and desktop reviews. This information includes but is not limited to: building permits and building plans; utility hookup applications, aerial imagery, GIS analysis tools; county deed records and other county clerk document filings; contact with property owners; misc. real estate or business websites; market sales information; third-party real or personal property data subscriptions and other miscellaneous sources of data.

Any reference to a specific work plan contained herein is to be considered tentative for the Appraisal District. The work plan assumptions are made with the understanding that there are no natural disasters, new legislative requirements, or other factors beyond local control that will require the appraisal district to reallocate resources necessary to complete the tasks at hand. Additionally, these work plans are made under the assumption that there will be a sufficient supply of market data, information, and or verifiable market activity in the district for conducting the reappraisal process.

Reappraisal Standards:

The opinion of market value of real and business personal property is calculated using specific information and data about each property. Utilizing various computer-assisted mass appraisal (CAMA) programs, and generally recognized appraisal methods and techniques, licensed and trained property appraisers compare the subject property information with the data for similar properties, and with available market data. The district adheres to the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable.

Mass appraisal is defined as the process of valuing a group of properties using standard methods, employing common data, and allowing for statistical testing. Appraisers perform mass appraisal with the assistance of a Computer-Assisted Mass Appraisal (CAMA) software system, with additional technical software and hardware support.

The 2025-2026 Reappraisal will also be completed in compliance with the guidelines and standards as specified by the Texas Comptroller in the Methods and Assistance Program (MAP). Effective January 1, 2010, Chapter 5.102 of the Texas Property Tax Code was amended to require "at least once every two years, the Comptroller shall review the governance of each appraisal district, taxpayer assistance provided, and the operating and appraisal standards, procedures and methodology used by each appraisal district to determine compliance with generally accepted standards,

procedures, and methodology. As part of the 2025-2026 Reappraisal Plan, any changes made to current standards, operating procedures or methodologies will be documented by the YCAD staff in preparation for the next MAP review cycle.

In cases where the appraisal district contracts for professional valuation services, the contract requires adherence to similar professional standards. Any third-party appraisal firm, in which YCAD contracts with, is also required to develop a mass appraisal report and reappraisal plan pertaining to the properties for which they have responsibility to appraise.

Reappraisal Calendar:

January 1 is the statutory appraisal date for establishing market value of properties in Texas, unless otherwise specified by law. Based on a typical, annual tax calendar, reappraisal activities generally begin around August 1 or when the majority of property appeals from the previous year are completed. A calendar of key events is included in this report, listed as the Property Tax Calendar.

Personnel Resources

The office of the Chief Appraiser is primarily responsible for overall planning, organizing, staffing, coordinating, and controlling of district operations. The administration's function is to plan, organize, direct functions related to human resources, budget, finance, records management, purchasing, fixed assets, facilities and postal services.

The appraisal department is responsible for the valuation and appeals aspects of all real and personal property accounts. The property types appraised generally include but are not limited to commercial, residential, business personal, special inventory, open space ag. land, minerals, utilities and industrial. The district's appraisers are subject to the provisions of the Property Taxation Professional Certification Act, and must be duly registered, current and active with the Texas Department of Licensing and Regulation. Support functions such as records maintenance, information technology, assistance to property owners, appraisal and administrative support, are crucial to the day-to-day business operations, as well as within the scope of work outlined in this plan.

All appraisal personnel receive on-the-job training in data collection and valuation methodology at the beginning and throughout the reappraisal cycle. At the beginning of each reappraisal, updates are made to all standardized manuals to ensure uniformity and accuracy in the data collection and appraisal processes. Forms, reports and other data collection tools are updated to reflect the applicable tax year. The Chief Appraiser and staff meet regularly to plan, update, introduce new procedures and regularly monitor appraisal activity to ensure that all personnel are following standardized appraisal methods and techniques.

Performance Analysis- Internal and External Studies

Internal Ratio Analysis - To better identify areas that may require a reappraisal effort, the previous years' certified values are analyzed with ratio studies to determine overall appraisal accuracy and uniformity. Ratios studies are stratified by various attributes including school district, neighborhood, and property type. YCAD follows the current IAAO Standard on Ratio Studies as a guideline to develop statistics including mean, median and weighted mean to measure levels of appraisal accuracy within the defined stratified groupings. Coefficient of Dispersion (COD) is

calculated to measure overall uniformity of appraisal values. The resulting analysis will be used to determine neighborhood or property types that may require an on-site field inspection, office review or to help with valuation model recalibration.

External Ratio Analysis - Section 5.10 of the Texas Property Tax Code requires the Comptroller to conduct a study at least once every two years to determine the degree of uniformity and the median level of appraisals by the appraisal district within each major category of property. The Property Value Study (PVS) uses statistical analysis of sold properties and appraisals of unsold properties as a basis for assessment ratio reporting. The preliminary results of this study are released in January following the year for which the study is conducted. Final results are then certified to the Education Commissioner of the Texas Education Agency in July. This outside (third party) ratio study provides meaningful data to YCAD in regards to the accuracy and uniformity.

THE SEVEN REAPPRAISAL PLAN DETAILS

(1) Identifying properties to be appraised through physical inspections or by other reliable means of identification, including deeds or other legal documentation, aerial photography, land-based photography, surveys, maps and property sketches;

The Appraisal District receives listings of all deeds filed in Young County through the Young County Clerk office. Those deeds are read and abstracted by the deed analyst. Information is recorded in the computer assisted mass appraisal (CAMA) software including grantor, grantee, date of recording, volume, and page, and the document number, in the County Clerk's records. Property identification numbers are assigned to each parcel, that generally will remain with the property for its life.

Business personal property is located by canvassing the county street-by-street, using data sources such as yellow pages, commercial reporting services, social media and other online information, local area Chamber of Commerce, DBA listings from the Young County Clerk and other business listing publications to ensure that all property owners are located. All businesses are mailed a rendition generally around January 1st of each year. Owners are required by law to list all business personal property applicable to the business. Failure to render will result in a 10% penalty for the tax year. A possible 50% penalty is assessed if fraud is involved in a false rendition. Renditions are also required from utility companies, railroads, and pipelines.

GIS mapping is maintained for location purposes for real property accounts within the county. These maps are stored and accessed digitally through the base map online, as well as with the Pictometry integration online. In conjunction with appraisal district staff, the data is updated, and maintained by BIS Consulting for base map data, and Eagleview (Pictometry). The base map is available online for public use, while Pictometry has limited access, primarily to Young CAD staff.

Market Area Delineation:

Market areas are defined by the physical, economic, governmental, and social forces that influence property values. The effects of these forces were used to identify, classify, and stratify or delineate similarly situated properties into smaller, more comparable, and manageable subsets for valuation purposes. Delineation can involve the physical drawing of neighborhood boundary lines on a map; it can also involve statistical separation or stratification based on attribute analysis. These homogeneous properties have been delineated into valuation neighborhoods for residential property or economic class for commercial property, but because there are discernible patterns of growth that characterize a neighborhood or market segment,

analyst staff will annually evaluate the neighborhood boundaries or market segments to ensure homogeneity of property characteristics. NAICS codes differentiate business types and proper identification and delineation is the cornerstone of the business personal property valuation system.

The Young Central Appraisal District has established 3 regions in the county being referred to as the West, Northeast and Southeast Regions. Tax year 2025 is a reappraisal year for the West Region for accounts not previously appraised in the last three years. Tax year 2026 will be a reappraisal year for the Southeast Region for accounts not previously appraised in the last three years.

Exhibit “A” defines each of the regions projects the year each region will be reappraised.

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

The Texas Property Tax Code, under Sec. 25.18, requires each appraisal office to implement a plan to update relevant characteristics for each real property at least once every three years. Appraisal values are reviewed annually, and are subject to change. Business personal properties, mineral, industrial and utility properties are appraised every year.

Most real estate is physically inspected, and /or inspected via aerial imagery in office every year. Appraisers drive to neighborhoods within the district and gather data about each home, commercial business, or vacant land as needed. The appraisers inspect property by noting the condition of the property, changes since the previous inspection, check the measurements of structures (at least two of the most complicated sides), update photos as needed, and verify the class and features on the account. All information is stored and updated through the CAMA (computer-assisted mass appraisal) system.

Data stored in the CAMA system includes but is not limited to an exterior sketch of the improvement, which allows the computer system to calculate square footage for the various areas of the building. Components within the building such as bathrooms, fireplaces, air conditioning, type of roof, type of exterior, etc. A historical record of photos taken of the property. As well as important notes, documents, and information regarding the property that has been collected over time.

The appraised value of real estate is calculated using specific information about each property, as well as through our improvement and land class schedules developed through mass appraisal and market research. Using a CAMA system, and recognized appraisal methods and techniques, we compare information with the data for similar properties, and with recent cost and market data. The district follows the standards of the International Association of Assessing Officer (IAAO) regarding it appraisal practices and procedures and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable.

Sales are routinely validated during the annual re-appraisal process each year. Using information obtained through the MLS (multiple listing service), sale surveys mailed by the district, listings available online or through other publications, as well as information obtained through public record from recorded deeds, assists the district in having sound market information. General trends in supply/demand, employment, interest rates, new construction, cost, and any other information available is useful in developing our cost and market-based schedules.

The district’s website provides a broad range of information available for public access, including property characteristics, value data, ownership records and district contact information. The district has a geographic information system (GIS) that maintains maps and various layers of data and aerial photography also available for public use.

The BPP (business personal property) staff routinely inspects business personal property. The appraiser reviews the quality of inventory, how dense the stocking is, and collects any essential information about equipment that they see. If their observation is different than the rendition made by the business, a higher value may be assigned than the rendered amount. The district utilizes a multitude of market, cost and value information in our effort to be as accurate as possible in determining the appropriate value for personal property.

Pritchard & Abbott, Inc. Valuation Consultants, appraises mineral, utilities, industrial, and related business personal property types for the district.

(3) Defining market areas in the district;

Pursuant to Sec. 25.18 of the Property Tax Code, the appraisal district has established a reappraisal plan to provide for the reappraisal of all properties within the district at least once every three years (for more specific instruction, see Exhibit “C” Work Plan). These proposed reappraisals are subject to market conditions, available resources and any unforeseen events that may alter personnel or priority.

Annually, appraisers combine similar types of property into “neighborhoods.” Neighborhood analysis involves the examination of how physical, economic, governmental and social forces and other influences affect property values. The effects of these forces are also used to identify, classify, and stratify comparable properties into smaller, manageable groups known as neighborhoods.

Market areas within the district include, but are not limited to the following:

- 1) The City of Graham
 - A) Improved & Vacant Residential Properties
 - B) Improved & Vacant Multi-Family Properties
 - C) Improved & Vacant Commercial/Industrial Properties
 - D) Improved & Vacant “Exempt” Properties

- 2) The City of Olney
 - A) Improved & Vacant Residential Properties
 - B) Improved & Vacant Multi-Family Properties
 - C) Improved & Vacant Commercial/Industrial Properties
 - D) Improved & Vacant “Exempt” Properties

- 3) The City of Newcastle
 - A) Improved & Vacant Residential Properties
 - B) Improved & Vacant Multi-Family Properties
 - C) Improved & Vacant Commercial/Industrial Properties
 - D) Improved & Vacant “Exempt” Properties

- 4) Lake Graham & Eddleman (On & Off Water Properties)
 - A) Improved & Vacant Residential Properties
 - B) Improved & Vacant Multi-Family Properties

- C) Improved & Vacant Commercial/Industrial Properties
 - D) Improved & Vacant “Exempt” Properties
- 5) Rural Subdivisions (Timber Ridge, Alta Vista, East Park etc.)
 - A) Improved & Vacant Residential Properties
 - B) Improved & Vacant Multi-Family Properties
 - C) Improved & Vacant Commercial/Industrial Properties
 - D) Improved & Vacant “Exempt” & “Special Use” Properties
 - 6) Rural (including Jean, Loving, South Bend & Eliasville) (County Wide)
 - A) Improved & Vacant Residential Properties
 - B) Improved & Vacant Multi-Family Properties
 - C) Improved & Vacant Commercial/Industrial Properties
 - D) Improved & Vacant “Exempt” & “Special Use” Properties

(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, 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;

For areas that have been grouped into neighborhoods, which have improvements that are generally similar in construction, age, condition, location, and size, analysis of market data forms the basis of evaluation of market activity, including the level of supply and demand affecting the market area, neighborhood, or school district. Market sales are used to verify accuracy to our land, and improvement schedules, including additional components that may or may not be currently accounted for. Cost, income and market approaches to value are the techniques used, where one or more is utilized to validate sales and base schedules.

Base schedules are used for the basis of all improvement and land values, which are derived from market information as well as the cost approach. For multiple family, and other income producing properties that generally do not fall into “neighborhoods”, the income approach to value is generally favored, due to limited, or complex market data for sales verification to occur.

Vacant land is grouped into neighborhoods with other parcels that have similar characteristics, school districts, and amenities. Using these neighborhoods, values are tested through improved as well as vacant sales, and the indicated land schedules are then applied to all parcels. These values take into consideration location, size, topography, and other characteristics that the market recognizes as significant.

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

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 for land, as well as a per square foot based from our improvement schedules for that neighborhood. By utilizing the age, quality, condition, construction components, and other variables, the model is developed and applied to all parcels within the neighborhood. Once the field review is complete, the appraiser conducts a routine valuation review of all properties. Once the appraiser is satisfied with the level and uniformity of value for each neighborhood within his area of responsibility, models are developed and the CAMA system applies 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. The primary tool used by the appraisers to measure and improve performance is the ratio study. The district ensures that the appraised values that it produces meet the standards set forth using generally accepted appraisal practices and techniques.

Overall sales ratios are generated for each neighborhood to allow the appraiser to review general market trends within their area of responsibility, and to provide an indication of market fluctuation over a specified period of time. A sales ratio is run for each neighborhood to determine if the values that have been assigned are within required ratios of law (95%-105%). The PC-based ratio studies are designed to emulate the findings of the state comptroller’s semi-annual property value study for each category of property.

MARKET & COST RECONCILIATION & 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 the 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 cost, 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.

The 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, indicated the depreciated value of the improvement component, in effect, measuring changes in accrued depreciation, and 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 process indicates the neighborhood level of appraisal based on sold properties. The 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 improvements 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 indicated 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 indicated 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 improvements marketability, particularly when based on multiple sales that indicate the trending of the rate of change over certain classes of improvements within certain neighborhoods. Based on this market analysis, the appraiser estimated 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 process 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 updated 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 updated and non-updated neighborhoods and verifies appraised values against overall trends as exhibited by the local market, and finally, for each school district as a whole.

The CAMA system begins with the cost approach to value to estimate original cost of each improvement. All residential parcels in the district are valued with a replacement cost estimated from identical cost schedules based on the improvement classification system using a comparative unit method. These cost estimates are compared with sales of new improvements and evaluated from year to year and indexed to reflect the local residential building and labor market. Costs may also be indexed for neighborhood factors and influences that affect the total replacement cost of the improvements in a smaller market area based on evidence taken from a sample of market sales. The cost schedules are reviewed regularly as a result of state legislation requiring that the appraisal district cost schedules be within a range of plus or minus 10% from nationally recognized cost schedules.

A review of the residential cost schedule is performed annually. As part of this review and evaluation process of the estimated replacement cost, newly constructed sold properties representing various levels of quality of construction in the district are considered. By utilizing the cost system, properties are equalized as to their original costs. The property data characteristics of these properties are verified and photographs are taken of the samples. Components measured in the cost include the size and quality of the structure, such type and pitch of roof structure, roof covering, exterior covering, windows, floorplan complexity, as well as special features such as fireplaces, pools, and other special amenities. The market sales are studied for improvement contributions in each neighborhood and adjustments to cost are applied to each neighborhood in the form of all types of depreciation. 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 properties as well as business personal property, with the cost basis being established by nationally recognized resources, such as Marshall & Swift guides, NADA, etc.

Mineral, Utilities, Industrial and corresponding Personal Property values are set by Pritchard & Abbott, Inc.

STAFF EDUCATION AND TRAINING

All personnel that are performing appraisal work are registered with the Texas Department of Licensing and Regulation (TDLR) and are required to complete all necessary courses to achieve the status of Registered Professional Appraiser within five years of employment. After they are awarded their license, they must maintain the required hours for continuing education every two years.

Additionally, all appraisal personnel receive training in the appraisal processes, including fieldwork and statistical analysis of all types of property to ensure equality, and uniformity of appraisal, for all types of property. New appraisers are introduced to all of the documentation covering the appraisal manuals, as well as receive on-the-job training. Management introduces new/updated procedures as needed, routinely meets with all appraisal staff, and monitors appraisal activity to ensure that all personnel are following appraisal standards, practices, and procedures.

SHARED APPRAISAL DISTRICT BOUNDARIES

Section 6.02 of the Property Tax Code amended during the 2007 Legislative Session states the Appraisal District's boundaries are the same as the County's boundaries effective January 1, 2008. Due to HB1010, effective 2008, this section no longer applies. The district shares information with adjacent counties, especially those the district collects overlapping school districts for. The district established procedures whereby ownership and property data information are routinely exchanged with over-lapping jurisdictional boundaries. These over-lapping jurisdictions enter into Stephens, Throckmorton, Archer, Jack and Baylor Counties.

INDEPENDENT PERFORMANCE TEST

According to Chapter 5 of the Texas Property Tax Code and Section § 403.302 of the Texas Government Code, the State Comptroller's Property Tax Assistance Division (PTAD) conducts a biennial property value study (PVS) of each Texas school district and each appraisal district. PTAD will conduct the biennial property value studies on approximately half of the appraisal districts, and will conduct a Methods and Assistance Program (MAP) on the appraisal districts not in a property value study year.

As part of these biennial studies, the PTAD will verify sales using recognized auditing, and sampling techniques, as well as review each appraisal district's appraisal methods, standards and procedures, to determine whether the district used recognized standards and practices. This test determines the validity of school district values in each appraisal district, to presume if the appraisal roll values are within the median level of appraisal, and determine the uniformity of appraisals in each appraisal district.

The methodology used in the property value study includes stratified samples to test a range of properties similar in value and use. This study utilizes statistical analyses of sold properties, (sale ratio studies) as well appraisals of unsold properties. For appraisal districts, the reported measures include median level of appraisal, coefficient of dispersion (COD), the percentage of properties within 10% of the median, the percentage of properties within 25% of the median, and price-related differential (PRD) for properties overall as well as by their state category.

There are 5 independent school districts within the Young Central Appraisal District for which appraisal rolls are annually developed. The preliminary results of the PVS are released February 1st in the year following the year of assessment. The final results of this study is certified to the

Education Commissioner of the Texas Education Agency (TEA) the following July. This outside (third party) ratio study provides additional assistance to the CAD in determining areas of market activity or changing market conditions. The final MAP report is released in December. Any recommendations will be addressed immediately.

REAPPRAISAL AND NON-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 the State Comptroller’s property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* of the International Association of Assessing Officers.

2. Analysis of Available Resources

The staffing and budget requirements for tax year 2025, as adopted by the board of directors, is available upon request. The existing appraisal practices, which reoccur each year, are identified, budgeted, and monitored to keep these practices current to needs. Information Systems (IS) support is reviewed with year specific functions identified, and system upgrades scheduled as needed. Existing GIS, maps and data requirements are also specified for maintenance, project needs, and updates.

The Board of Directors for Young CAD has contracted with Pritchard & Abbott, Inc., to provide the contracted work towards the appraisal of minerals, utility, industrial & their respective personal property, including the appeals processes for all their contracted properties.

3. Planning and Organization

A calendar of key events with general deadline dates is prepared for each major work area. This calendar identifies all key events for the appraisal process in general. Production standards for field appraisal activities are calculated and incorporated in the planning and scheduling process, based on importance, as well as location of assignments. 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.

4. Mass Appraisal System

Computer Assisted Mass Appraisal (CAMA) system, is maintained and developed in the PACS Appraisal software by Harris Govern. All required revisions, mandates, changes, and updates to stay in compliance with laws are incorporated and developed as needed. In conjunction with the CAMA software, GIS mapping is also maintained, upgraded, and provided as necessary by BIS Consultants. The district maintains and updates all the data within the mass appraisal system to ensure accuracy of the records.

5. Data Collection Requirements

Data sources used by the District are continually reviewed and researched. Field and office procedures are reviewed and revised as needed. Activities scheduled for each tax year include, permits, new construction, demolition, remodeling, re-inspection of problematic market areas, and re-

inspection of the universe of properties on a specific cycle (3 years). On properties that have transferred ownership, the District will verify the sale price when available, with the individual property characteristics (as of the date of sale, and after) through field inspection and office research.

6. Pilot study by tax year

New and/or revised mass appraisal models are tested each tax year. Ratio studies, by market area, are conducted and reviewed for any proposed value changes each tax year. Values in each category are tested for accuracy, and reliability in the market areas.

7. Valuation by tax year

Using market analysis of comparable sales and locally tested cost data, 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.

8. The Mass Appraisal Report

Each tax year the Property 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. 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 Appraisers is compliant with STANDARD RULE 6 – 9 of *USPAP*. This most recent Mass Appraisal Report can be found at the www.youngcad.org website under the Tax & Appraisal Information section and also available upon request.

9. Value Defense

Evidence to be used by the appraisal district to meet its burden of proof for market value, and equity in both informal meetings and formal Appraisal Review Board hearings is through the use of sales ratio studies, comparable market grids, comparable equity grids, and other information as needed. This information is generally produced, and stored within the PACS software. Due to the varying issues in the appeals process, other forms of evidence not typical to the norm may be requested, or produced as needed to validate, or disprove depending on the case.

REVALUATION DECISION

The Young 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. Due to budget constraints and the number of properties in the district, a physical inspection on all properties is not possible. Every tax year the district puts priority to sales verification, new construction, and any problematic areas identified prior to the appraisal cycle.

The District will also physically inspect properties coded for an inspection. Properties are coded for an inspection for many of the following reasons: remodeled, or demolished properties, properties discovered with errors to the tax roll, property owner requests, building permits, issues discovered through the appeals process, sales of property, and properties with fire, flood, or other damage.

The District will physically inspect as many properties as time and resources will permit. Our goal is to physically inspect all real property at least once every three years, with appraisers noting condition of the improvement and looking for changes that might have occurred to the property since the last inspection. Exterior pictures are taken of improvements as needed.

PERFORMANCE ANALYSIS

In each tax year, the previous tax year values are analyzed with ratio studies, to determine appraisal accuracy and uniformity by market areas, as well as by State property categories. 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 category to measure the level of appraisal accuracy.

Sales ratio studies are used to evaluate the District's mass appraisal performance. These studies not only provide a measure of performance, but also are an excellent means of improving mass appraisal performance. Outliers, and questionable data is flagged, reviewed and analyzed. Notes, and all appropriate documents are stored in the CAMA software regarding the sale information, field inspection review, and all other information that may be needed regarding the property.

Neighborhood or market adjustment factors are developed from statistics provided from ratio studies and are used to ensure that estimated values are consistent with the market data. Analysis of comparable market sales forms the basis of overall market values, reflecting the current activity, supply and demand, or other factors affecting market prices for any given market area, neighborhood or district.

Due to variations in market prices, circumstances and so forth, indicated values and appraisal values can often be outside of the median level of appraisal. Outliers are characterized from their low, or high ratios. They can result from an erroneous, or unrepresentative sale price, an error in the appraisal, or a transaction that is truly outside of the typical market range. These outliers are recorded within the CAMA system, but may be removed from the overall calculations of value to prevent potential errors to the overall market values.

ANALYSIS OF AVAILABLE RESOURCES

Staffing and budget requirements are detailed in the appraisal district budget, as adopted by the board of directors. This reappraisal plan is adjusted to reflect the available staffing in tax year 2025 and the anticipated staffing for tax year 2026. Staffing will impact the real property re-inspection, personal property reviews, and other portions of the appraisal process that can be accomplished in the restricted time frame outlined.

The data used by field appraisers includes the existing property characteristic information contained in CAMA (Computer Assisted Mass Appraisal System) from the PACS Appraisal & Mobile software. The data is printed or digitally available on a property record card. Other data and software used includes GIS systems & maps, sales data, newspapers, publications, building permits, photos, property owner correspondence, information obtained online, Ag. Advisory Board, State Comptroller Data, real estate professionals, fee appraisers, various commercial resources, and actual cost/market information.

The Texas Legislature amended the appraisal review board appeal process by allowing arbitration in addition to filing suit in District Court with certain limitations. Time and effort required for arbitration cases, or other such additional needs may require additional resources, and staffing time that may affect current or future planning.

Existing appraisal practices will be continually reviewed from year to year to keep these practices current. In the reappraisal year, real property appraisal depreciation tables and cost schedule tables are tested against verified sales data to ensure they represent current market data. The capitalization rates, typically used primarily for commercial property, is updated and reviewed for accuracy from current market data, market rents (if available), industry resources, as well as other sources. The district makes all attempts to collect data with surveys and information requests sent out at least every few years for multi-family housing, low-income housing, storage facilities, etc.

Personal property is analyzed based on renditions, prior year documentation, and inspections. Renditions are mailed out to current and new business each year. Appraisers will utilize SIC codes to determine consistency for the appraisal of similar businesses. Rendition laws provide additional information in which to base taxability of business personal properties. Pritchard & Abbott, Inc., is the contracted for conducting appraisals on industrial and utility properties, with assistance in rendition processing from the district.

Information Technology (IT) is assisted by Harris Govern (PACS software), BIS Consulting, and Pritchard & Abbott. The district maintains communication with each company, depending on their scope of work, with detailed needs identified, and appropriate updates scheduled. Computer generated forms, applications, etc. are reviewed for needed revisions, or updates, to be compliant of legislative changes, or district needs. Existing GIS data, and mapping requirements are specified and updated accordingly.

Changes in legislation involving appraisal districts may occur when the legislature is called into session. These new laws may require adjustments to the budget, staffing, and programming or procedures. These changes are often made in the middle of an appraisal cycle, or other important times of the tax year, and can be time consuming, causing additional strain to the appraisal process.

PLANNING AND ORGANIZATION

A calendar of key events, deadlines, and completion dates is prepared for each part of the appraisal process. Production standards for field activities are calculated and incorporated in the planning and scheduling process. The projected dates in the calendar may be adjusted due to unforeseen changes in staffing, budgetary constraints, weather, and or priority of the projects within the plan. General deadlines within the Texas Property Tax Code are critical, and are to be met when possible.

Meeting the target dates outlined within our plan is very important. Mailing appraisal notices in May and completing the protest period by the first of August permits the appraisal process for the next year to begin timely. This allows the district to produce a greater quantity, and accuracy of work for the appraisal year. This also provides ample time for tax rate calculations, and many other functions to be done in a timely manner. The full appraisal/collections process, to be functioning to the highest capacity, is contingent on an experienced staff, as well having the proper tools and resources needed to accomplish the goals.

PROPERTY TAX LAW DEADLINES & IMPORTANT DATES

The Property Tax Calendar, as provided by the State Comptroller's office, will be used as the general basis for all deadlines, and key events. Additional timelines, and dates specific to the district's goals contained within the re-appraisal are added or highlighted within the calendar. This shall serve as a guide for the appraisal process, to ensure a timely and organized plan.

SEE EXHIBIT "B" PROPERTY TAX LAW DEADLINES & IMPORTANT DATES

MASS APPRAISAL SYSTEM

The district CAMA software is the PACS Appraisal and Collections Suite, including the PACS Mobile software via Harris Govern. The Computer Assisted Mass Appraisal (CAMA) system is revised, routinely updated, and supported by Harris Govern. All forms, applications, system generated documentation, and procedures are reviewed, and revised as required and maintained with the CAMA software. The district also contracts with BIS Consulting for base maps, districts webpage, as well as several other online features, included the online portal for appeals, form submissions, etc.

The data entry personnel will be responsible for entering all address changes received by the district in the acceptable format. Data Entry personnel will also be responsible for entering any exemption changes as well as adding new exemptions. Exemptions are reviewed annually and an updated form requested after a five-year period. Deed processing, contracted through BIS Consulting, will be responsible for entering all name and address changes received through deed transfers as well as appropriate property changes, additions, etc. GIS mapping, maintained by BIS with support of the district, will be responsible for entering all changes in property lines due to deed transfers, as well as submitted changes and corrections by district staff. The GIS/Mapping base data is used in conjunction with the Pictometry GIS Suite for appraisal purposes.

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 the appraisal district is compliant 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 a recognized industry leader, such as Marshall & Swift.

Land Schedules are updated using current market data (sales) and then tested with ratio study tools. Value modifiers such as neighborhood codes are developed for property categories in distinct market areas, and tested on a pilot basis with ratio study tools, before full implementation. A comparison, and analysis of comparable land sales is conducted based on the land characteristics found to influence the market price in the neighborhood. A computerized land table file stores the land information required to consistently value individual parcels within neighborhoods given similar land location, and characteristics.

Specific influences are considered, where necessary, depending on neighborhood and/or individual lot/tract characteristics, to adjust parcels outside the standards for such factors as access, view, shape, size, and topography. The appraisers use abstraction and allocation methods to insure that estimated land values best reflect the contributory market value of the land to the overall property value. Current land tables will be modified and refined to reflect consistency by area and refined as the market changes.

Income, expense, and occupancy data is updated in the income models for each market area and cap rate studies are completed using current sales data when available, and appropriate. The resulting models are tested using ratio study tools.

Open Space Land, Ag special use value is calculated according to the Texas Property Tax Code, from information obtained from the Ag Advisory Board, property owner lease/expense surveys, and other acceptable sources of information as needed.

PERSONAL PROPERTY VALUATION

Business Personal Property (BPP) Renditions are sent out in January of each year. The deadline to return the completed rendition is April 15th, unless a request for an extension is filed. The BPP appraiser processes renditions as they arrive. The appraiser decides whether to accept the rendered value, or to use our depreciation schedule based on the reported cost new. The appraiser will research any notations, and previous year renditions to determine the accuracy of the current rendition. Appraisals, and schedules are updated using data received from renditions, discovery, and hearing documentation.

Physical inspections, as provided by the Tax Code, are performed to evaluate business inventory, equipment, situs, etc. as needed. The data is often collected comparing past and current renditions in conjunction with field inspections. DBA listings, local resources/advertising, online information, newspapers, field discovery, and the other sources often provide the district information regarding new businesses, personal property, and other useful data regarding personal property valuation. Valuation procedures are reviewed modified as needed and tested to ensure uniformity, and accuracy.

NOTICING & HEARING PROCESS

Notices of Appraised Value- Texas Property Tax Code Section (25.19) appraisal notice forms are reviewed and edited for updates and changes required by legislation. Updates include the latest copy of Comptrollers *Property Taxpayer Remedies*, which is available to the public at the appraisal district, or online. All forms and documents are revised and maintained within the PACS CAMA software, maintained by Harris Govern. The district will publish in the local newspaper, information about the notices, and general information regarding the timelines for the appeals process.

Young CAD currently conducts formal, and informal hearings during the appeals process. All procedures, documentation, required mailing, policy and procedures concerning the appeals process is revised, updated, and maintained to stay in compliance with the Property Tax Code. Production of documentation is tested and in compliance with HB 201 information, and is provided to the taxpayer at least fifteen (15) days prior to the scheduled hearing date.

Informal hearings are meetings between taxpayers, and/or their agent on file with appraisal staff. Informal meetings are typically scheduled as requested by the property owner with district staff. The appraisal staff will have informal meetings on a first come, first served basis, on the day of formal hearings, if no informal process has taken place prior. If valuation issues are not agreed upon during the informal process, the taxpayer may continue the formal appeals process, as outlined in the Taxpayer Rights & Remedies.

DATA COLLECTION REQUIREMENTS

Field and office procedures are reviewed and revised as required for data collection. Activities scheduled for each tax year include new construction, demolition, remodeling, re-inspection for problematic market areas, and re-inspection and/or revaluation of the universe of properties. The district describes the appraisal process, and data collection information within the Appraisal Manual and Field Guide. This manual, outlines property classification methods, examples, policy and procedure necessary for a uniform and accurate data collection process.

Data collection of real property involves maintaining data characteristics of the property on CAMA software (Computer Assisted Mass Appraisal). The information contained in the CAMA software includes, site characteristics such as land size, and topography, improvement data such as square footage of living area, year built, quality of construction, condition, etc. as it pertains to the individual property overall as needed.

Exterior photographs are taken of all new homes, new photos are taken of previous homes whenever a change in appearance has occurred, or a significant amount has passed since the last photo on file. Multiple views are often taken, as well as information regarding interior finish and quality when applicable or warranted. Photographs of the property from online sources, such as sale listings may also be attached to the property record.

Field appraisers are required to use the property classification system outlined in the district's Appraisal Manual, that establishes uniform procedures for the correct listing of real property. All properties are coded according to their appropriate classification schedule. The approaches to value are structured, and calibrated based on this system, property type, and characteristics. The field appraisers are introduced to the property classification references during their initial training, and kept as a guide in the field inspection of properties thereafter. Periodic training, and reviews of the Appraisal Manual are routinely given to ensure uniform appraisal methods by all appraisers.

The appraisers are assigned specific areas throughout the district for the appraisal cycle each year. The quality of the data collection is extremely important in determining market values of taxable property. While work performance standards are established and upheld for the various field activities, quality, and accuracy of data is emphasized as the goal, and responsibility of each appraiser.

New appraisers are trained in the specifics of data collection and the classification system set forth, along with all the information within the Appraisal Manual, including recognized "rules" to follow. Experienced appraisers are routinely updated on policy and procedures prior to major field projects such as new construction, sales validation, schedules and valuation methodology or data review.

A quality assurance process exists through supervisory review of the work being performed by the field appraisers. Quality assurance supervision is charged with the responsibility of ensuring that appraisers follow listing procedures, identify training issues, and provide uniform training throughout the field appraisal staff. Spot checks to reviewed accounts may be routinely done, through query searches of the CAMA software. PACS mobile serves as the primary quality control, through the online management console, and review process for field work processed through the mobile application.

Data collection for personal property involves maintaining information on CAMA software designed to record, and appraise business personal property. The type of information contained in the BPP file includes personal property such as business inventory, furniture and fixtures, machinery and equipment, with details such as cost and location. The field appraiser uses a personal property classification system during their initial training and as a guide to correctly list all personal property that is taxable. Routine reviews of property owner rendered values in comparison to district values are done in order to test quality control.

The sources of data collection on individual properties are collected primarily through field inspection, local and online resources, aerial imagery, and the mass appraisal process. The properties improvements are measured, and classified using a “cost new” schedule. The appraiser determines the effective age, and condition of all improvements, which is used to calculate the depreciation (loss of value). Any notes pertaining to the improvements and /or land are made during the inspection and recorded to the property record.

Additional sources of data collection may include questionnaire letters, sales, online resources, newspapers and other publications, information obtained through the appeals process, as well as property owner correspondence, among many others. A principal source of data comes from building permits obtained by property owners for new or additional construction projects. The Multiple Listing Service of the North Texas Real Estate Information Systems is a reliable source of data for both property description and market sales data. Local & regional contractors, and builders are a source of cost data utilized by the District as well as industry leading publishers of cost and construction cost guides. Renditions for business personal property are confidential, and cannot be used for specific information, however, data from renditions may be compared, and used to test schedules for their accuracy.

Sale surveys of buyers, and sellers are sent out upon processing deed transactions requesting market information is also valuable data. Agricultural surveys of farm and ranch property is often used for productivity value calibration, along with information collected via the Ag Advisory Board. Property owners in general can be a great source of information, for all areas of data collection. As the district has increased the amount of information available on the internet, property owners have more opportunities to review information regarding their property, and notify the district of any changes needed.

Accuracy and validity in property descriptions, and the entire data collection process is the ultimate goal, and is stressed through the appraisal process from year to year. The appraisal methods, procedures, and practices quality, and validity falls solely upon the accuracy and reliability of data. Activities scheduled for each tax year include inspection of new construction, demolition, remodeling, re-inspection of problematic market areas, and re-inspection of the universe of properties on a specific cycle (3 years). This includes office or field verification of sales data.

Appraisers in the field will have a property record card (PRC), either in physical or digital format, that contains specific information regarding the property being appraised. These cards contain legal descriptions, ownership interests, property use codes, property addresses, class, age, sketches, adjustment factors, and all information regarding the valuation methods for the structures and land segments. The PRC should be updated appropriately, and completed through the mobile process, or entered within the CAMA software accordingly. These basic processes are used for all of the appraisal specific tasks below.

NEW CONSTRUCTION /DEMOLITION

New construction/demolition procedures are identified, and revised as required within the district’s Appraisal Manual and Field Guide. New construction is identified through many sources, but primarily through general field inspections, and building permits. For new construction, appraisers measure all structures, and class accordingly. For demolitions, the same sources are used, along with reports from local government, or other organizations involved in the “demolition”. Appraisers will verify the extent of removal, date removed, and other information needed for the records to be updated. This annual activity is projected, and entered on the key events calendar for each tax year.

REMODELING

Market areas with extensive improvement remodeling are identified, verified and field activities scheduled to update property characteristic data. Remodeling can be difficult to appraise due to varying degrees of construction in and outside of the home. Often, interior updates have to be estimated to at least some degree, as access inside is limited. Sources of information may be available such as permits, and construction documentation, that can assist in gauging the scope of the remodel. Listings, and other information available online is a great resource in discovery for not only the extent of upgrades, and renovation, but the timeline they occurred.

Appraisers will perform detailed field inspections, and update the property record accordingly. Appraisal schedules are tested with ratio studies before finalized in the valuation modeling. This process takes into consideration that all remodels, updates and properties within the ratio studies are accounted for and the data is reliable. This field activity is part of the new construction as well as general re-checks noted in the calendar.

RE-INSPECTION OF PROBLEMATIC MARKET AREAS

Real property market areas, or neighborhoods, which are organized by the property type category, locations, and/or classification, are tested for protest volumes; sales ratios; as well as the coefficient of dispersion. Market areas that fail any of these tests are determined to be problematic. Field reviews are scheduled to verify and/or correct property characteristic data as needed. Additional sales data may need to be researched, and verified.

In the absence of adequate market data, comparable properties, or areas that have sufficient data to conduct these tests may be used. Market areas with extensive improvement remodeling are identified, verified and field activities may be scheduled to update property data as needed. Properties that are restricted, or inaccessible to appraisers due to locked gates, etc. are identified and access requests may be sent for appointments to be set for an on-site inspection to occur. Aerial imagery may be used as a last resort to estimate these types of properties for inclusion to the tax roll, etc.

RE-INSPECTION OF THE UNIVERSE OF PROPERTIES

The International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property* and Section 25.18 of the Texas Property Tax Code requires a revaluation of the universe of properties on a cycle of every three years. The re-inspection includes the measurement of at least two of the most complex sides of each improved property, verifying the accuracy of the existing data. The field appraiser has a property record card for each property to be inspected, and makes notes of any changes, included but not limited to any depreciation, remodeling, and additions. The annual re-inspection requirements for tax year 2023 and 2024 are identified by property type, market area, and is scheduled on the key events calendar designed to meet the requirements of Section 25.18.

FIELD OR OFFICE VERIFICATION OF SALES DATA AND PROPERTY CHARACTERISTICS

Sales information is received from various sources. Sales information must be verified to the property characteristic data as of the date of sale captured. If renovations, demolition, or other changes are made after the sale, the information should be documented to the property record card, and noted in the sale information. These sales may be required to be moved from the sales ratio study, if the value captured at the sale is not reflective of the sale. The sales ratio formula is equal to the appraisal value of the property, divided by the sales price (Appraisal/Sale=Ratio). The sales ratio requires that the property sold must equal the property appraised in order that statistical analysis results will be valid. The acceptable level of the ratio ranges from 95-105% of appraisal to sale value.

PILOT STUDY

New and/or revised mass appraisal models are tested on selected market areas. These modeling tests (sales ratio studies), are conducted each year. The test results are compared with anticipated results, and models not performing satisfactorily are refined, and retested. The sales comparison model is a computer-generated report within the CAMA software, individual sales studies, and other methods required to ensure accuracy. This CAMA software also has the capability of selecting comparable sales according to the property use, quality of construction, location size, condition, and age.

The comparable sales may be selected by the computer, or manually selected by the appraisers. Adjustments are made in dollar increments, that must be made for tract size, quality of construction, age of the improvements, functional adequacy, size of the improvements, and for additional items. Inspections of properties are made by their exterior perspective, therefore interior finish, as well as interior components must often be assumed. All financing for comparable sales is considered typical to the market, unless otherwise noted in the sale record.

The final estimate of value is a correlation of the comparable sales, after net adjustments have been made to the comparable properties to equal the subject. This method is a great indication for value, but may only be a reasonable estimate depending upon the accuracy and reliability of all the subject and comparable information. The procedures used for model specification, and model calibration is compliant to the *Uniform Standards of Professional Appraisal Practice*, STANDARD RULE 6.

VALUATION BY TAX YEAR

Valuation by tax year is established using market analysis of comparable sales against locally tested cost data, market area income and expense data, along with all other sources or reliable information. The valuation models are specified and 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 as established by the *IAAO Standard on Ratio Studies*. Property values in all market areas are updated, and revised as needed each reappraisal year.

RESIDENTIAL REAL PROPERTY

SALES COMPARISON APPROACH TO VALUE

Residential improved, and vacant sales are collected from a variety of sources and are kept in a sales file that is maintained in the CAMA. Grouping or clustering sales within the specified neighborhoods and classification of properties utilizes the sales comparison approach to value. The sales are then tested against the appraised values to indicate a ratio for the neighborhood. A neighborhood is a grouping of complementary properties, 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 vary for reasons such as geographical, physical, or political in nature. Residential neighborhoods usually consist of individual subdivisions, or groups of subdivisions, that contain similar properties located within the same jurisdictions.

The effect of time as an influence on price is considered by paired sales comparisons, and applied in the ratio study to the sales as indicated within each neighborhood area. Sales of the same property are considered, and analyzed for any indication of price change attributed to a time change or influence. Neighborhood sales reports are generated as an analysis tool for the development and estimation of market price ranges, and property component value estimates.

Abstraction and allocation of property components based on sales of similar property is an important analysis tool to interpret market sales under the cost, and market approaches to value. These analysis tools help determine, and estimate the effects of change with regard to price, as indicated by sale prices of similar properties within the current market.

If there are not enough sufficient sales found in an area, then sales from like neighborhoods are used, and necessary adjustments are made in the form of market modifiers. These modifiers are applied to schedules within the mass appraisal model, and the values for a given neighborhood.

COST APPROACH TO VALUE

All residential parcels in the district are valued with a replacement cost new schedule based on the improvement classification system using a comparative unit method. The cost model categorizes, and values property by class (quality and type of construction), age, and present condition. These cost estimates are compared with sales of new, and existing improvements, and evaluated from year to year to reflect the local markets.

A review of the residential cost schedule is performed annually. As part of this review, and evaluation process of the estimated replacement cost, newly constructed sold properties representing various levels of quality of construction in the district are considered. Depreciation is derived by age/condition, and any additional obsolescence adjustment that may be necessary. The cost schedules are reviewed annually through market data and tested in comparison by recognized, industry third party guides.

The land value is then added to the improvement value to indicate a preliminary market value. After cost schedules, depreciation, and land values are applied; market modifiers may be necessary to adjust the values to actual market conditions. These modifiers may apply to improvements, land, or both in varying degrees as determined through the analysis unique to each area.

INCOME APPROACH TO VALUE

The income approach to value is currently not a reliable indicator of value for residential mass appraisal. Data sources for income producing residential properties are not readily available in the Young County area. For this reason, the income approach to value is not typically used for residential appraisal.

SPECIAL INVENTORY RESIDENTIAL PROPERTY

SALES COMPARISON APPROACH TO VALUE

The sales comparison approach to value for special inventory properties is not currently used by the district in a mass appraisal basis, due to inadequate sales data of these type properties. Sales of special inventory property, developer lots and/or buildings may occur occasionally, however these sales are not always reported, or consistent, therefore the sales comparison approach is not a reliable indicator of value in the mass appraisal report.

COST APPROACH TO VALUE

The cost approach to value is not used in the district’s mass appraisal report for a large variety of reasons. Cost of development for residential, or rural subdivisions, and houses vary greatly due to the multitude of site improvements such as streets, utilities, subdivision restrictions, quality of construction and location costs. Inventory of lots, and houses may also be located in numerous different subdivisions, with varying costs, and qualities of construction. Similar issues are found for other types of special inventory property.

INCOME APPROACH TO VALUE

The income approach to value seems to be the most appropriate valuation method to use in the mass appraisal of residential inventory. Information obtained from owners, etc. of special use property regarding income and expense is required, which is typically included from renditions, surveys, or other methods. Income, after expenses, can be applied to a cap rate to estimate value.

MULTI-FAMILY RESIDENTIAL PROPERTY

SALES COMPARISON APPROACH TO VALUE

Grouping, or clustering sales within specified neighborhoods, and classification of properties utilizes the sales comparison approach to value. The sales are then tested against the appraised values to indicate a ratio for the neighborhood. If there are not sufficient sales found in an area, then sales from like neighborhoods are found and necessary adjustments are made in the form of market modifiers. These modifiers are applied to schedules to indicate mass appraisal values for a given neighborhood.

COST APPROACH TO VALUE

All multi-family residential parcels in the district are valued with a replacement cost new schedule based on the improvement classification system using a comparative unit method. The cost model categorizes, and values property by class (quality and type of construction), age, and present condition. These cost estimates are compared with sales of new, and existing improvements, and evaluated from year to year to reflect the local markets.

A review of the cost schedules is performed annually. As part of this review, and evaluation process of the estimated replacement cost, newly constructed sold properties representing various levels of quality of construction in the district are considered. Depreciation is derived by age/condition, and any additional obsolescence adjustment that may be necessary. The cost schedules are reviewed regularly as legislation requires that the appraisal district schedules be within a range of plus, or minus 10% from nationally recognized cost guides.

The land value is then added to the improvement value to indicate a preliminary market value. After cost schedules, depreciation, and land values are applied; market modifiers may be necessary to adjust the values to actual market conditions. These modifiers may apply to improvements, land, or both in varying degrees as determined through the analysis unique to each area.

INCOME APPROACH TO VALUE

The income approach to value can be a reliable indicator of value for multi-family residential properties. Data sources for income producing multi-family residential properties, when available, is calculated using the income and expenses, applied by the appropriate cap rate, for comparison to our appraisal values, and schedules. Survey information is routinely mailed out to these properties regarding income and expense information, which is used internally in the district's income approach. For properties designated as Low-Income Housing, the income approach is required for valuation purposes.

COMMERCIAL REAL PROPERTY

SALES COMPARISON APPROACH TO VALUE

This approach is utilized not only for estimating land values, but also in comparing sales of similarly improved properties to parcels on the appraisal roll. Data from actual sales of properties, both vacant and improved, is pursued throughout the year in order to obtain relevant information, which can be used in all aspects of valuation. Sales of similarly improved properties can provide a basis for the comparison to the district's schedules, rates, and multipliers used in the income approach. Market sales are also used in ratio studies, which afford the appraiser an excellent means of judging the accuracy, and uniformity of the appraised values.

COST APPROACH TO VALUE

When sales information is not readily available, which is typical in the district, cost schedules are used. These schedules are based off of the Marshall & Swift cost guides, directly connected within the PACS Appraisal software. The replacement cost new schedules are based off of the property types, using the classification system of a comparative unit method. The cost model categorizes, and values property by class (quality and type of construction), age, and present condition. These cost estimates are compared with sales of new, and existing improvements, and evaluated from year to year to reflect the local markets.

A review of the cost schedules is performed annually, as well as updated within the CAMA software via the updates provided by Marshall & Swift, in conjunction with the PACS software. As part of this review, and evaluation process of the estimated replacement cost, newly constructed sold properties representing various levels of quality of construction in the district are considered. Depreciation is derived by age/condition, and any additional obsolescence adjustment that may be necessary. The cost schedules are reviewed regularly as legislation requires that the appraisal district schedules be within a range of plus, or minus 10% from nationally recognized cost guides.

The land value is then added to the improvement value to indicate a preliminary market value. After cost schedules, depreciation, and land values are applied; market modifiers may be necessary to adjust the values to actual market conditions. These modifiers may apply to improvements, land, or both in varying degrees as determined through the analysis unique to each area.

INCOME APPROACH TO VALUE

The income approach to value is applied to those properties, when sufficient income and expense information is available for properties which are typically viewed as “income producing”, and for which the income methodology is considered a leading value indicator. Income approaches to value are standard for hotel/motel properties. The income approach may be used as a comparative method to the cost or market approach to ensure accuracy, and uniformity of our appraisal methods.

VACANT REAL PROPERTY

SALES COMPARISON APPROACH TO VALUE

Residential land valuation is conducted through sales analysis. The value of the land component to the property is estimated based on available market sales for comparable, and competing land under similar usage. A comparison of comparable land sales is conducted based on land characteristics found to influence the market price of land located within market areas. Vacant land sales are crucial in developing schedules for varying types of land with regards to location, size, type, use, etc.

A computerized land schedule stores the land information required to consistently value individual parcels within neighborhoods given known land characteristics. Specific land influences are considered, where necessary, and depending on neighborhood and individual lot or tract characteristics, to adjust parcels outside the neighborhood norm for such factors as access, view, shape, size, and topography.

The appraisers use abstraction, and allocation methods in comparison to similar vacant land sales, to ensure that current land values best reflect the contributory market value of the land to the overall property value. It should be noted that all land is valued as vacant and ready for development as to its highest and best use. This process considers physical possible uses, legally permissible uses, as well as financially feasible uses.

INCOME APPROACH TO VALUE

The income approach to value for unimproved land is not currently used by the District on a mass appraisal basis.

UTILITIES & MINERAL INTERESTS

The plan provides for the annual reappraisal of all utility, railroad and pipeline property under the jurisdiction of the appraisal district. The district has a professional services contract with Pritchard & Abbott, Inc to appraise these properties. All information pertaining to the reappraisal of these utility, and mineral interest accounts may be found in the attached reappraisal plan, prepared and submitted by Pritchard & Abbott.

See Exhibit “D” Pritchard & Abbott Biennial Reappraisal Plan for years 2025 & 2026.

SPECIAL VALUATION PROPERTIES

AGRICULTURAL SPECIAL USE

Market value for agricultural property is established using market sales information. The productivity values established under the agricultural special use property type is derived from the income approach, as set forth in the Texas Property Tax Code. This is a special valuation process as set forth in the Texas Property Tax Code, regarding income, expenses, and applied by the direct capitalization method. Income and expense for each category of agricultural use is calculated from lease/expense surveys, Ag Advisory Boards, as well as a multitude of other sources regarding income and expense for farm and ranch property.

BUSINESS TANGIBLE PERSONAL PROPERTY

Business personal property is classified by the property type using a four-digit numeric code, called Standard Industrial Classification (SIC) codes that were developed by the federal government to describe property. These classifications are used by the district to classify personal property by business type.

SIC code identification is the cornerstone of the personal property valuation system at the district. All of the personal property analysis work done in association with the personal property valuation process is SIC code specific. SIC codes are based on observable aspects of homogeneity and business use. The district uses annual renditions received from property owners, as well as a multitude of other sources in publication, or online, as well as local market information in establishing value.

Each category is recorded, and valued by the sub types, such as furniture & fixtures, equipment, inventory, etc. based on a cost new as reported in the rendition, or determined by the appraiser, less depreciation schedule. Vehicles and other property may be valued using cost guides, or other local market information when the information is deemed more reliable to value. Depreciation schedules are developed using market, and cost information compared to typical life expectancy for the various types of property.

VALUE DEFENSE

Evidence to be used by the appraisal district, to meet the burden of proof for market value, and equity for both informal, and formal appraisal review board hearings, is specified and tested. Each appraisal district identifies the evidence to be used in informal and formal hearings by property type and the steps to be taken to ensure compliance with HB 201. Documentation for each case is stored within the ARB module of the PACS Appraisal software.

Evidence provided for the hearings, as it relates to specific properties they may consist of, may be comparable sales, subdivision or area maps providing various property characteristics such as quality, size and value of surrounding properties, or other data specific to the property in defense of our values. Generally, at the informal hearing, the property owner is provided with the specific information concerning his/her property, and any additional information they may request.

Taxpayers have the option to present their concerns informally to the district, by phone, mail, e-mail, or in person. If the taxpayer wishes to pursue a dispute further, the district provides all information necessary for the entire appeals process, procedures, as outlined in the Rights, & Remedies published by the State Comptroller. All informal, and formal hearing information is recorded and stored in the CAMA system.

When the taxpayer, and/or agent on file is scheduled for a formal hearing, they receive a certified letter containing the date, time and location, along with the Appraisal Review Board policies, and procedures pamphlet, as well as a copy of the Property Taxpayer Rights & Remedies published by the State Comptroller's Office. If protest-hearing evidence is requested, the appraisal district has 14 days prior to the protest hearing date to make its evidence regarding value disputes available.

Evidence is generated through multiple formats, including market and equity comp grids, sales information, appraisal cards, or other information specific to the protest. A copy of the district schedules, along with depreciation tables may also be included. The appraisal district has the burden of proof for the value of real and personal property, unless otherwise noted within the Texas Property Tax Code. The taxpayer should present evidence, as they deem necessary, for consideration by the CAD or the ARB.

No confidential income, expense, or other information received from property owners/agents for specific accounts will be released. The district maintains confidentiality at all costs, but may be subject to the open meetings act, and other such rights of public information. Renditions, other than that of the subject property, will not be released, or used in a manner that shall identify, or allow confidential information to be exchanged between individual owners.

The firm of Pritchard & Abbott, Inc. defends the value of the industrial, utility and related personal property located in the district before the ARB, as is detailed within their attached biennial reappraisal plan.

ARB APPEAL PROCEDURES

After the Appraisal Review Board hears, and determines all timely filed protests, the district mails out the Appraisal Review Board orders of determined value, containing the Board's decision. All decision letters will be mailed out by certified mail as outlined in the Texas Property Tax Code. The property owner has 60 days upon receiving a Board Order to either file suit in District Court, or 45 days to file a request for arbitration. Information on procedures for appealing an Appraisal Review Board order is included in the certified mail packet, along with a form for the Request for Binding Arbitration.

LIMITING CONDITIONS

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

The appraisals were prepared exclusively for Ad-valorem tax purposes. The property characteristic data upon which the appraisals are based is assumed to be correct. Exterior inspections of the property appraised were performed as staff availability, resources, and time allow. Some interior inspections of properties appraised, were performed at the request of the property owner, and/or required by the district for clarification purposes to correct property descriptions, etc. as needed.

Validation of sales transactions were attempted through questionnaires to buyer and seller, listing information, field review, and other methods. In absence of formal confirmation, residential sales data obtained from misc. sources may be considered reliable if the data is verified through the sales ratio study as within market.

TREATMENT OF RESIDENCE HOMESTEADS

Beginning in 1998, the State of Texas implemented a constitutional classification scheme concerning the appraisal of residential property that receives a residence homestead exemption. Under the law, beginning in the second year a property receives a homestead exemption; increases in the assessed value of that property are “capped.” The value for tax purposes (assessed value) of a qualified residence homestead will be the LESSER of:

- The market value; or
- The preceding year’s appraised value;
- PLUS, 10 percent for each year since the property was re-appraised;
- PLUS, the value of any improvements added since the last re-appraisal.

Assessed values of capped properties must be recalculated annually. If a capped property sells, the cap automatically expires as of January 1st of the year following sale of the property, and the property is then appraised at its full market value. An analogous provision applies to new homes. While a developer owns them, unoccupied residences may be partially complete and appraised as part of an inventory.

This valuation is estimated using the district’s land value, and the percentage of completion for the improvement contribution that is established from our guides, and/or the developer’s construction costs as a basis of completion, as of the January 1st valuation date. However, in the year following changes in completion, occupancy, or sale, they are appraised at market value.

CONCLUSION

The Young Central Appraisal districts provides this plan in an effort to inform the public, and taxing jurisdictions of the upcoming two-year reappraisal cycle, in a clear and transparent manner. While this guide may be general in nature, it is our hope that it provides some insight to the overall appraisal process, as well as the duties, and responsibilities required each year.

We strive to maintain an environment and office culture based on professionalism, strong customer service, honesty and integrity. The District aims to utilize all resources available to provide the best service possible to the public and to the taxing jurisdictions for which we serve. For any additional information, clarification, etc. not included in this plan, the district is available to provide such information upon request.

CERTIFICATION STATEMENT

“I, Jesse D. Blackmon, Chief Appraiser for the Young Central Appraisal District, solemnly swear to have made or caused to be made, a diligent inquiry to ascertain all property in the district, subject to appraisal by me. I have included in the records, all property of which I am aware, at an appraised value, which to my best knowledge and belief was determined to be as required by law, on this date of August 29, 2024.”

A handwritten signature in black ink, appearing to read 'JDB', is written over a horizontal line. The signature is stylized and cursive.

Jesse D. Blackmon, RPA, CCA

Young Central Appraisal District - Chief Appraiser

EXHIBIT “B”

PROPERTY TAX LAW DEADLINES & IMPORTANT DATES

This calendar shows important property tax deadlines for appraisal districts, taxing units and property owners. Unless otherwise noted, all sections are Tax Code citations. Tax Code Section 1.06 provides that "[i]f the last day for the performance of an act is a Saturday, Sunday, or legal state or national holiday, the act is timely if performed on the next regular business day." The deadlines shown in this calendar reflect dates as they are provided in the law without any adjustment for an extension that might be applicable.

Guide – Key Events are in GREEN, YCAD specific items are in BLUE

January	
1	<ul style="list-style-type: none"> ● Date that taxable values (except for inventories appraised Sept. 1) and qualification for certain exemptions are determined for the tax year (Secs. 11.42(a), 23.01(a), 23.12(f)). ● Date a tax lien attaches to property to secure payments of taxes, penalties and interest that will be imposed for the year (Sec. 32.01(a)). ● Date that members of appraisal district boards of directors begin two-year terms in even-numbered years in counties with a population less than 75,000 (Secs. 6.03(b)). ● Review/Adopt BOD Policies, elect officers, swearing in and oaths ● Date that appointed members of appraisal district boards of directors begin four-year staggered terms every other even-numbered year, with elected members beginning four-year staggered terms every other odd-numbered year in counties with a population 75,000 or more (Sec. 6.0301(e)). ● Date that half of appraisal review board (ARB) members begin two-year terms and that ARB commissioners begin one-year terms (Sec. 6.41(d-8)). ● Date by which ARB commissioners, if appointed in the county, are required to return a list of proposed ARB members to the local administrative district judge (Sec. 6.41(d-7)). ● Deadline for chief appraisers to notify the Comptroller's office of eligibility to serve as chief appraisers (Sec. 6.05(c)). ● Date the temporary exemption for qualified property damaged by disaster expires as a qualified property of the first tax year in which the property is reappraised under Sec. 25.18 (Sec 11.35(k)). ● Before the 10th - 25.25 Quarterly Report to ARB & BOD - 25.25 (b) <i>The chief appraiser may change the appraisal roll at any time to correct a name or address, a determination of ownership, a description of property, multiple appraisals of a property, an erroneous denial or cancellation of any exemption authorized by Section 11.13 if the applicant or recipient is disabled or is 65 or older or an exemption authorized by Section 11.13(q), 11.131, or 11.22, or a clerical error or other inaccuracy as prescribed by board rule that does not increase the amount of tax liability. Before the 10th day after the end of each calendar quarter, the chief appraiser shall submit to the appraisal review board and to the board of directors of the appraisal district a written report of each change made under this subsection that decreases the tax liability of the owner of the property. The report must include: (1) a description of each property; and (2) the name of the owner of that property</i> <p>January – In General</p> <ul style="list-style-type: none"> ● Appraisal district public information packet release. ● Appraisal Review Board (ARB) training registration begins. ● Methods and Assistance Program (MAP) final reports released for prior calendar year. ● MAP referrals to the Texas Department of Licensing and Regulation of appraisal districts that failed to complete recommendations included in their final MAP report published two years prior. ● MAP reviews begin for current calendar year. ● Operations survey sent to chief appraisers. ● Sec. 11.44(a) Before February 1 of each year, the chief appraiser shall deliver an appropriate exemption application form to each person who in the preceding year was allowed an exemption that must be applied for annually. He shall include a brief explanation of the requirements of Section 11.43 of this code. PACS End of Year Process – AG (Agricultural Special Use Value), HS (General Homestead, OV65, etc.), RPI (Real Property

	<p>Inventory), BPP (Business Personal Property), & other new owner exemption reset, and appropriate applications such as freeport, pollution control, etc. mailed to new owners/existing owners.</p> <ul style="list-style-type: none"> • Mass mailing of AG, HS, RPI, BPP Renditions, Freeport and misc. applications for the PACS End of Year Process. • Appraisal – New construction, permits, and time sensitive appraisal focus • Business Personal Property – Rendition processing and field work • Exemption/Application review and processing • Begin monthly data collection for market information via all sources available. • Prepare for EPTS – Due prior to Feb. 1st
2	<ul style="list-style-type: none"> • Date rendition period begins (Sec. 22.23(a)).
10	<ul style="list-style-type: none"> • If a tax bill from the previous year is mailed after this date, the delinquency date is postponed (Sec. 31.04(a)).
31	<ul style="list-style-type: none"> • Deadline for the Comptroller's office to publish the preliminary <i>School District Property Value Study (SDPVS)</i> findings, certify findings to the Texas commissioner of education, and deliver findings to each school district (Gov't Code Sec. 403.302(g)). <p>NOTE: A qualified school district or property owner may protest preliminary findings by filing a petition with the Comptroller not later than the 40th day after the date (whether Jan. 31 or an earlier date) on which the Comptroller's findings are certified to the Texas commissioner of education (Gov't Code Sec.403.303(a)).</p> <ul style="list-style-type: none"> • Last day for chief appraiser to deliver applications for agricultural designation and exemptions requiring annual applications (Secs. 11.44(a)), 23.43(e)). • Last day for disabled or age 65 or older homeowners or disabled veterans and their surviving spouses qualified for Sec. 11.22 exemptions to provide notice of intent to pay by installment and pay the first installment of homestead property taxes if the delinquency date is Feb. 1. Other delinquency dates have different installment notice and payment deadlines. This deadline also applies to partially disabled veterans and their surviving spouses with homesteads donated from charitable organizations (Sec. 31.031(a-1)). • Last day for homeowners or qualified businesses whose properties were damaged in a disaster within a designated disaster area to pay the first installment for taxes with Feb. 1 delinquency dates if using installment payment option. Other delinquency dates have different notice and payment deadlines (Sec. 31.032(b)). • Last day for an appraisal district to give public notice of the capitalization rate to be used in that year to appraise property with low- and moderate-income housing exemption (Sec. 11.1825(r)).
February	
1	<ul style="list-style-type: none"> • Last day for motor vehicle, vessel and outboard motors, heavy equipment and manufactured housing dealers to file dealer's inventory declarations (Secs. 23.121(f), 23.124(f), 23.1241(f), 23.127(f)). • Date that taxes imposed the previous year become delinquent if a bill was mailed on or before Jan. 10 of the current year (Secs. 31.02(a), 31.04(a)). • Rollback tax and interest for change of use of 1-d, 1-d-1, timber, and restricted-use timber land become delinquent if taxing unit delivered a bill to the owner at least 20 days before this date (Secs. 23.46(c), 23.55(e), 23.76(e), 23.9807(f)). • Electronic Property Transaction Submission (EPTS) due. • Application period opens for local governments seeking disabled veteran assistance payments. <p>February – In General</p> <ul style="list-style-type: none"> • ARB survey report issued • TLO training begins. • Appraisal – Finishing up field work and begin data review. • BPP renditions processing and processing of exemptions and applications
15	<ul style="list-style-type: none"> • Last day for tax collector to disburse motor vehicle, vessel and outboard motor, heavy equipment and manufactured housing inventory taxes from escrow accounts to taxing units (Secs. 23.122(k), 23.1242(j), 23.125(k), 23.128(j)).

	<ul style="list-style-type: none"> • Reports and Remittances of Other Taxes: Sec. 31.10(a) Each month the collector of taxes for a taxing unit shall prepare and submit to the governing body of the unit a written report made under oath accounting for all taxes collected for the unit during the preceding month. Reports of collections made in the months of October through January are due on the 25th day of the month following the month that is the subject of the report. Reports of collections made in all other months are due on the 15th day of the month following the month that is the subject of the report. A collector for more than one taxing unit may prepare one report accounting for taxes collected for all units, and he may submit a certified copy of the report as his monthly report to the governing body of each unit.
28 (29 if a leap year)	<ul style="list-style-type: none"> • Last day to request separate appraisal for interest in a cooperative housing corporation (Sec. 23.19(c)).

March	
31	<ul style="list-style-type: none"> • Last day for taxing units' second quarterly payment for the current year appraisal district budget (Sec. 6.06(e)). • Last day for disabled or age 65 or older homeowners or disabled veterans and their surviving spouses qualified for Sec. 11.22 exemptions to pay second installment on taxes with Feb. 1 delinquency dates. Other delinquency dates have different installment payment deadlines. This deadline also applies to partially disabled veterans and their surviving spouses with homesteads donated from charitable organizations (Sec. 31.031(a) and (a-1)). • Last day for homeowners or qualified businesses whose properties were damaged in a disaster area to pay second installment on taxes with Feb. 1 delinquency dates. Other delinquency dates have different installment payment deadlines (Sec. 31.032(a) and (b)). • Last day for qualified community housing development organizations to file listing of property acquired or sold during the past year with the chief appraiser (Sec. 11.182(i)). • Operations survey data due <p>March – In General</p> <ul style="list-style-type: none"> • ARB training is available. • Publication of legal requirements for rendition statements and availability of forms. • SDPVS preliminary findings protest deadline (not later than 40 days after certification of preliminary SDPVS findings). • Appraisal – Completion of field work and data review. • Appraisal – Compilation of data received from all survey sent (at least once every 3 yrs) for income/expense data, etc. for AG, Mini Stg., LIH, and others. • Begin sales ratio studies and reconciliation process. Adjust land and improvement schedules as necessary. • Review and correct all CAMA system recalculation errors and clean up process prior to notice runs. • Reports and Remittances of Other Taxes: Sec. 31.10(a) Each month the collector of taxes for a taxing unit shall prepare and submit to the governing body of the unit a written report made under oath accounting for all taxes collected for the unit during the preceding month. Reports of collections made in the months of October through January are due on the 25th day of the month following the month that is the subject of the report. Reports of collections made in all other months are due on the 15th day of the month following the month that is the subject of the report. A collector for more than one taxing unit may prepare one report accounting for taxes collected for all units, and he may submit a certified copy of the report as his monthly report to the governing body of each unit.

April	
1	<ul style="list-style-type: none"> • Last day for qualifying local governments to submit completed applications to the Comptroller's office to receive disabled veteran assistance payments for previous fiscal year (Local Gov't Code Sec. 140.011(e)). • Last day (or as soon as practicable thereafter) for chief appraiser to mail notices of appraised value for single-family residence homestead properties (Sec. 25.19(a)). • Last day (or as soon thereafter as practicable) for chief appraiser to deliver a clear and understandable written notice to property owner of a single-family residence that qualifies for an

	<p>exemption under Sec. 11.13 if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year (Sec. 25.193(a)).</p> <ul style="list-style-type: none"> • Last day for the chief appraiser to notify the taxing units of the form in which the appraisal roll will be provided to them (Sec. 26.01(a)). • Mail out first notice for AG and misc. properties that have not returned the application sent in the January End of year process. <p>April – In General</p> <ul style="list-style-type: none"> • Acceptance of Electronic Appraisal Roll Submission (EARS) test file submissions through June 1. • Request special district market and taxable values and no-new-revenue, voter-approval, M&O and I&S tax rates. • By the 10th - 25.25 Quarterly Report to ARB & BOD (See Jan 10 above for details) • By the 15th - Reports and Remittances of Other Taxes – Sec. 31.10(a) • Ag Advisory Board – Spring meeting – if needed.
15	<ul style="list-style-type: none"> • Last day to file renditions and property reports on most property types. Chief appraiser must extend deadline to May 15 upon written request (Sec. 22.23(a) and (b)). <p>NOTE: The Comptroller and each chief appraiser are required to publicize the legal requirements for filing rendition statements and the availability of the forms in a manner reasonably designed to notify all property owners of the law (Sec. 22.21). Chief appraisers need to check with their legal counsel to determine the manner and timing of this notice to meet the legal requirement.</p>
30	<ul style="list-style-type: none"> • Last day for property owners to file these applications or reports with the appraisal district: <ul style="list-style-type: none"> ○ Some exemption applications (Sec. 11.43(d))*; ○ Notice to chief appraiser that property is no longer entitled to an exemption not requiring annual application (Sec. 11.43(g)); ○ Certain applications for special appraisal or notices to chief appraiser that property no longer qualifies for 1-d agricultural land, 1-d-1 agricultural land, timberland, restricted-use timberland, recreational-park-scenic land and public access airport property (Secs. 23.43(b), 23.54(d) and (h), 23.75(d) and (h), 23.84(b) and (d), 23.94(b) and (d), 23.9804(e) and (i)); ○ Railroad rolling stock reports (Sec. 24.32(e)); ○ Requests for separate listing of separately owned land and improvements (Sec. 25.08(c)); ○ Requests for proportionate taxing of a planned unit development association property (Sec. 25.09(b)); ○ Requests for separate listing of separately owned standing timber and land (Sec. 25.10(c)); ○ Requests for separate listing of undivided interests (Sec. 25.11(b)); and ○ Requests for joint taxation of separately owned mineral interests (Sec. 25.12(b)). • Last day for chief appraiser to certify estimate of the taxable value for counties, municipalities and school districts (counties and municipalities can choose to waive the estimate) (Sec. 26.01(e) and (f)). A school district with a fiscal year beginning July 1 may use this certified estimate when preparing the notices of public meetings to adopt the budget and discuss the proposed tax rate (Educ. Code Sec. 44.004(g)-(j)). • Last day to file rendition statements and property reports for property regulated by the Texas Public Utility Commission, Texas Railroad Commission, federal Surface Transportation Board or the Federal Energy Regulatory Commission. Chief appraiser must extend deadline to May 15 upon written request (Sec. 22.23(d)). • Last day for property owners to file applications for allocation under Secs. 21.03, 21.031, 21.05 or 21.055. For good cause, chief appraiser shall extend deadline up to 30 days. Other deadlines apply if the property was not on the appraisal roll in the previous year (Sec. 21.09(b)). <p>*Exemption applications for cemeteries, certain charitable organizations, religious organizations, private schools, nonprofit water supply or wastewater service corporations and other nonprofit organizations must be filed within one year of acquiring the property (Secs. 11.42(d) and 11.43(d)). Homestead exemption applications, other than Sec. 11.13(c) or (d), for property acquired after January 1 may receive an exemption authorized by Section 11.13 for the applicable portion of that tax year immediately on qualification for the exemption if the preceding owner did not receive the same exemption for that tax year (Sec. 11.42(f)).</p>
May	
1	<ul style="list-style-type: none"> • Last day (or as soon as practicable thereafter) for chief appraiser to mail notices of appraised value for properties other than single-family residence homesteads (Sec. 25.19(a)).

	<ul style="list-style-type: none"> • Last day (or as soon thereafter as practicable) for chief appraiser to deliver a clear and understandable written notice to the property owner of residence homestead property that does not qualify for an exemption under Sec. 11.13 if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year (Sec. 25.193(a)). • Complete entry of all applicable applications and exemptions. Flag for late file penalties, etc. Mail appropriate late file letters. • Mail second and final notice of Ag and misc. applications and exemptions pending from the pre-denial/removal letter. Certified and First Class mail. • ARB – begin hearings and informal process.
1-14	<ul style="list-style-type: none"> • Period to file resolutions with chief appraiser to change appraisal district's finance method (Sec. 6.061(c)).
1-15	<ul style="list-style-type: none"> • Period when chief appraiser must publish notice about taxpayer protest procedures in a local newspaper with general circulation (Sec. 41.70(a) and (b)). Sec. 41.70(a) On or after May 1 but not later than May 15, the chief appraiser shall publish notice of the manner, in which a protest under this chapter may be brought by a property owner. The notice must describe how to initiate a protest and must describe the deadlines for filing a protest. The notice must also describe the manner, in which an order of the appraisal review board may be appealed. The comptroller by rule shall adopt minimum standards for the form and content of the notice required by this section. (b) The chief appraiser shall publish the notice in a newspaper having general circulation in the county for which the appraisal district is established. The notice may not be smaller than one-quarter page of a standard-size or tabloid-size newspaper, and may not be published in the part of the paper in which legal notices and classified advertisements appear. <p>NOTE: Chief appraisers must annually publicize property owner rights and methods to protest to the ARB (Sec. 41.41(b)). Chief appraisers should consult legal counsel on the manner and timing to fulfill this requirement.</p>
2	<ul style="list-style-type: none"> • Beginning of time period when taxing units must notify delinquent taxpayers that taxes delinquent on July 1 will incur additional penalty for attorney collection costs at least 30 days and not more than 60 days before July 1. Period ends on June 1 (Sec. 33.07(d)).
15	<ul style="list-style-type: none"> • Deadline for ARBs to adopt ARB hearing procedures; adopted hearing procedures must be submitted to PTAD within 15 days of adoption (Sec. 41.01(c) and (d)). • Last day to file renditions and property reports for most property types if an extension was requested in writing. Chief appraiser may extend deadline an additional 15 days for good cause (Sec. 22.23(b)). • Date (or as soon as practicable thereafter) for chief appraiser to prepare appraisal records and submit to ARB (Secs. 25.01(a), 25.22(a)). • Last day to file most protests with ARB (or by 30th day after notice of appraised value is delivered, whichever is later) (Sec. 41.44(a)(1)). • By the 15th – Reports and Remittances of Other Taxes – Sec. 31.10(a)
19	<ul style="list-style-type: none"> • Last day for chief appraiser to determine whether a sufficient number of eligible taxing units filed resolutions to change appraisal district's finance method (Sec. 6.061(d)).
24	<ul style="list-style-type: none"> • Last day for chief appraiser to notify taxing units of change in the appraisal district's finance method (Sec. 6.061(d)).
31	<ul style="list-style-type: none"> • Last day for taxing units to file challenges with ARB (or within 15 days after the date the appraisal records are submitted to ARB (whichever is later) (Sec. 41.04). • Last day for disabled or age 65 or older homeowners or disabled veterans and their surviving spouses qualified for Sec. 11.22 exemptions to pay third installment on taxes with Feb. 1 delinquency dates. Other delinquency dates have different installment payment deadlines. This deadline also applies to partially disabled veterans and their surviving spouses with homesteads donated from charitable organizations (Sec. 31.031(a) and (a-1)). • Last day for homeowners and qualified businesses whose properties were damaged in a disaster area to pay third installment on taxes with Feb. 1 delinquency dates. Other delinquency dates have different installment payment deadlines (Sec. 31.032(a) and (b)). • Last day for a religious organization that has been denied a Sec. 11.20 exemption because of its charter to amend the charter and file a new application (or before the 60th day after the date of notification of the exemption denial, whichever is later) (Sec. 11.421(b)). • Last day for taxing unit to take official action to extend the date by which aircraft parts must be transported outside the state after acquired or imported to up to 730 days for the aircraft parts to be exempt from taxation as freepoint goods for the current and subsequent tax years (Sec. 11.251(l)).

June	
1	<ul style="list-style-type: none"> • Deadline for filing an EARS test file submission <p>June – In General</p> <ul style="list-style-type: none"> • Oil and Gas data submission requested
14	<ul style="list-style-type: none"> • Last day for chief appraiser to submit proposed budget for next year to appraisal district board and taxing units (unless taxing units have changed appraisal district's fiscal year) (Sec. 6.06(a) and (i)).
15	<ul style="list-style-type: none"> • Last day (or the 60th day after the date on which the chief appraiser delivers notice to the property owner under Sec 22.22, if applicable) for chief appraisers to accept and approve or deny late-filed freeport exemption applications (Sec. 11.4391(a)). • By the 15th – Reports and Remittances of Other Taxes – Sec. 31.10(a)
16	<ul style="list-style-type: none"> • Beginning date that appraisal district board may pass resolution to change appraisal district's finance method, subject to taxing units' unanimous approval. Period ends before Aug. 15 (Sec. 6.061(a)).
30	<ul style="list-style-type: none"> • Last day to pay second half of split payment for taxes imposed last year (Sec. 31.03(a)). • Last day for taxing units' third quarterly payment for the appraisal district budget for the current year (Sec. 6.06(e)). • Last day to form a taxing unit to levy property taxes for the current year (Sec. 26.12(d)). • Last day for taxing units to adopt local option percentage homestead exemptions (Sec. 11.13(n)). • Last day for a private school that has been denied an 11.21 exemption because of the charter to amend the charter and file a new application (or the 60th day after the date of notification of the exemption denial, whichever is later) (Sec. 11.422(a)(1)).
July	
1	<ul style="list-style-type: none"> • Date that delinquent taxes incur total 12 percent penalty (Sec. 33.01(a)). • A taxing unit or appraisal district may provide that taxes that become delinquent on or after Feb. 1 of a year but not later than May 1 of that year and that remain delinquent on July 1 of the year in which they become delinquent incur an additional penalty to defray costs of collection, if the unit or appraisal district or another unit that collects taxes for the unit has contracted with an attorney to enforce the collection of delinquent taxes (Sec. 33.07(a)). <p>NOTE: Taxing units and appraisal districts that have imposed the additional penalty for collection costs under Sec. 33.07 may provide for an additional penalty for attorney collection costs of taxes that become delinquent on or after June 1 under Secs. 26.07(f), 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42. The penalty is incurred on the first day of the first month that begins at least 21 days after the date the collector sends the property owner a notice of delinquency and penalty (Sec 33.08(a) and (c)).</p> <ul style="list-style-type: none"> • Last day for review and protests of appraisals of railroad rolling stock values (or as soon as practicable thereafter); once the appraised value is approved, the chief appraiser certifies to the Comptroller's office the allocated market value (Secs. 24.35(b), 24.36). <p>July – In General</p> <ul style="list-style-type: none"> • Truth-in-taxation website, forms and videos updated • By the 10th - 25.25 Quarterly Report to ARB & BOD (See Jan 10 above for details) • By the 15th – Reports and Remittances of Other Taxes – Sec. 31.10(a) • Begin Annual and Mass Appraisal Reports. Preparations for Biennial Reappraisal Plan (even numbered years) • Prepare for EARS and EPTS submission (Aug. 1)
20	<ul style="list-style-type: none"> • Date ARB must approve appraisal records, but may not do so if more than 5 percent of total appraised value remains under protest. The board of directors of an appraisal district in a county with a population of 1 million or more may postpone the deadline to Aug. 30 or increase the threshold percentage from 5 to 10 percent of the appraised value of properties not under protest (Sec. 41.12(a)-(c)).
25	<ul style="list-style-type: none"> • Last day for Comptroller's office to certify apportionment of railroad rolling stock value to counties, with supplemental records after that date (Secs. 24.38, 24.40). • Last day for chief appraiser to certify appraisal roll to each taxing unit (Sec. 26.01(a)).

	<ul style="list-style-type: none"> Last day for chief appraiser to prepare and certify to the assessor for each taxing unit an estimate of the taxable property value if the ARB has not approved the appraisal records by July 20 (Sec. 26.01(a-1)).
31	<ul style="list-style-type: none"> Last day for disabled or age 65 or older homeowners or disabled veterans and their surviving spouses qualified for Sec. 11.22 exemptions to pay fourth installment on taxes with Feb. 1 delinquency dates. Other delinquency dates have different installment payment deadlines. This deadline also applies to partially disabled veterans and their surviving spouses with homesteads donated from charitable organizations (Sec. 31.031(a-1)). Last day for homeowners and qualified businesses whose properties were damaged in a disaster area to pay fourth installment on taxes with Feb. 1 delinquency dates. Other delinquency dates have different installment payment deadlines (Sec. 31.032(b)). Last day for property owners to apply for Sept. 1 inventory appraisal for the next year (Sec. 23.12(f)).

August	
1	<ul style="list-style-type: none"> Date taxing unit's assessor submits appraisal roll and date that collector submits collection rate estimate for the current year to the governing body (or soon after as practical) (Sec. 26.04(b)). EARS due for any appraisal district with fewer than 200,000 taxable parcels but more than 10,000 parcels, excluding Category G parcels.* EPTS due. Oil and Gas data submission due. Appraisal – Begin preparations for next appraisal cycle to begin field work and desktop review. Identify problematic areas and strategic planning for supplemental appraisal work needed in addition to the reappraisal plan outline. <p>On or About the 15th</p> <ul style="list-style-type: none"> SDPVS final results certified to commissioner of education
7	<ul style="list-style-type: none"> Date taxing units (other than school districts, small taxing units and water districts) must publicize no-new-revenue and voter-approval tax rates, unencumbered fund balances, debt obligation schedule and other applicable items (or as soon as practical thereafter) (Secs. 26.04(e) and (e)(1), 26.052(b) and Water Code Secs. 49.107(g), 49.108(f)). Date chief appraisers must post a notice on the appraisal district's Internet website to property owners in the appraisal district stating the estimated amount of property taxes may be found in the property tax database required by Tax Code Section 26.17 (or as soon thereafter as practicable) (Sec. 26.04(e-2)). Date chief appraisers must publish the notice required by Tax Code Section 26.04(e-2) in a newspaper of general circulation in the county for which the appraisal district is established (Sec. 26.04(e-6)).
14	<ul style="list-style-type: none"> Last day for appraisal district board to pass resolution to change appraisal district's finance method, subject to taxing unit's unanimous consent (Sec. 6.061(a)). Last day for appraisal district board to pass resolution to change number of directors, method for appointing, or both, and deliver the resolution to each taxing unit (Sec. 6.031(a)).
15	<ul style="list-style-type: none"> Deadline for Comptroller's office to certify final SDPVS findings to commissioner of education except as provided (Comptroller Rule Sec. 9.4317(d)). By the 15th – Reports and Remittances of Other Taxes – Sec. 31.10(a)
30	<ul style="list-style-type: none"> Date ARB must approve appraisal records for appraisal districts in counties with populations of 1 million or more where the board of directors has postponed the deadline from July 20 (Sec. 41.12(c)(1)).
31	<ul style="list-style-type: none"> If a tax bill is returned undelivered to a taxing unit by the United States Postal Service, a taxing unit must waive penalties and interest if the taxing unit does not send another tax bill at least 21 days before the delinquency date to the current mailing address furnished by the property owner and the property owner establishes that a current mailing address was furnished to the appraisal district for the tax bill before Sept. 1 of the year in which the tax is assessed (Sec. 33.011(b)(1)). Last day taxing units may file resolutions with the appraisal district board to oppose proposed change in the appraisal district finance method (Sec. 6.061(a)).

	<ul style="list-style-type: none"> • Last day for taxing unit entitled to vote for appointment of appraisal district boards of directors to file a resolution opposing a change by the appraisal district board in the number and selection of directors (Sec. 6.031(a)). • Deadline to file form with chief appraiser and collector to elect not to be treated as a motor vehicle inventory dealer for the next tax year, if eligible (Sec. 23.121(a)(3)(D)(iii)).
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September	
1	<ul style="list-style-type: none"> • Date that taxable value of inventories may be determined at property owner's written option (Sec. 23.12(f)). • EARS due for any appraisal district with fewer than 10,000 or more than 200,000 taxable parcels, excluding Category G parcels.* <p>September – In General</p> <ul style="list-style-type: none"> • Utility Data Report due. • Farm and Ranch Survey released. • MAP Preliminary reports released to chief appraisers for current calendar year. • Notification sent to appraisal district BOD if a school district's local value is found invalid in the final SDPVS. • Notification and preliminary data request is sent to appraisal districts that will receive a Targeted Appraisal Review Program (TARP). • Prior to Sept. 15 – Public Hearing and Reappraisal Plan Submission – Even numbered years • Annual Ag. Advisory Board Meeting • Appraisal – Appraisal cycle underway for field work, etc.
14	<ul style="list-style-type: none"> • Last day for appraisal district board to adopt appraisal district budget for the next year, unless a district has changed its fiscal year (Sec. 6.06(b) and (i)). • Last day for appraisal district board to notify taxing units in writing if a proposal to change a finance method by taxing units' unanimous consent has been rejected (Sec. 6.061(a)). • Last day for appraisal district board to notify taxing units in writing if a proposal to change the number or method of selecting appraisal district boards of directors is rejected by a voting taxing unit (Sec. 6.031(a)).
29	<ul style="list-style-type: none"> • Last day for taxing units to adopt tax rate for the current year, or before the 60th day after the date the certified appraisal roll is received by a taxing unit, whichever is later. Failure to adopt by these required dates results in a unit adopting the lower of its no-new-revenue tax rate for this year or last year's tax rate; unit's governing body must ratify new rate within five days of establishing rate (Sec. 26.05(a) and(c)).
30	<ul style="list-style-type: none"> • Last day for taxing units' fourth quarterly payment for appraisal district budget for the current year (Sec. 6.06(e)). • Board of Directors Election (Odd Numbered Years) – Deliver vote calculations

October	
1	<ul style="list-style-type: none"> • Date tax assessor mails tax bills for the year (or soon after as practical) (Sec. 31.01(a)). <p>October – In General</p> <ul style="list-style-type: none"> • Adjusted limit on gross receipts published. • Farm and Ranch Survey due. • MAP review notice and data request for next calendar year sent. • Operations survey data posted. • By the 10th - 25.25 Quarterly Report to ARB & BOD (See Jan 10 above for details) • By the 25th – Reports and Remittances of Other Taxes – Sec. 31.10(a)
15	<ul style="list-style-type: none"> • TARP reviews begin for current cycle. • Deadline for appraisal districts to submit Form 50-886-a, Tax Rate Submission Spreadsheet (XLSX) (required for all taxing units), with complete information for all taxing units. • Deadline for all appraisal districts to submit all SDPVS required forms including certified freeze recaps and/or required backup documentation for all taxing units.

November	
1	<ul style="list-style-type: none"> • Remaining data from appraisal districts due for final MAP reports for the current calendar year. <p>November – In General</p> <ul style="list-style-type: none"> • Final reports released for TARP. • Cybersecurity Training – Submit completion report online to DIR • Customer Service Training • By the 25th – Reports and Remittances of Other Taxes – Sec. 31.10(a)
15	<ul style="list-style-type: none"> • Deadline for appraisal districts to provide a subsequent post-election submittal of Form 50-886-a, Tax Rate Submission Spreadsheet (XLSX), with final tax rates. • Deadline for appraisal districts to provide subsequent applicable SDPVS required forms for all taxing units impacted by a tax rate election.
30	<ul style="list-style-type: none"> • First half of split payment of taxes is due on or before this date (Sec 31.03(a)). • BOD Election Results Declaration

December	
1	<ul style="list-style-type: none"> • 1st - Electronic responses to Comptroller's ARB survey due. <p>December – In General</p> <ul style="list-style-type: none"> • Final reports released for TARP. • Time when appraisal office may conduct a mail survey to verify homestead exemption eligibility (Sec. 11.47(a)). • By the 15th – Taxing Unit Vote – BOD – Resolutions Due • Appraisal – Send surveys for income/expense data (at least once every 3 years) for AG, LIH, Multi Family, Apartments, Mini Stg., Etc. • Personnel reviews. • By the 25th – Reports and Remittances of Other Taxes – Sec. 31.10(a)
16	<ul style="list-style-type: none"> • SDPVS pre-preliminary data release. (Clerical corrections from appraisal districts or school districts are due three weeks after release.)
31	<ul style="list-style-type: none"> • Last day for taxing units' first quarterly payment for appraisal district budget for next year (Sec. 6.06(e)). • Last day for taxing units to take official action to tax goods-in-transit for the following tax year (Sec. 11.253(j)). • Biennial property tax report issued in even-numbered years. • Comments and suggestions received by taxpayer liaison officers outside of the Comptroller's ARB survey due. • Statewide List of Tax Rates posted. (Tax Code Section 5.091) • Annual report on Appraisal District Ratio Study report issued.

EXHIBIT "C"
2025-2026 - WORK PLAN

Overview

All properties within Young County, shall be revaluated for the purpose of market value, fair/uniform appraisal, or general reappraisal each year. The annual reviews will be conducted through sales ratios studies and/or reappraisals as data, time and resources permit. All regions, tasked for various purposes, such as new construction, permits, sales, or general re-checks are added, and updated on a continual basis.

With the use of the Pictometry, and ChangeFinder software, along with other third-party imagery, our reappraisal efforts may consist of aerial imagery review, incorporated with onsite field inspections and data review. For each specific year and appropriate region, emphasis for onsite inspections will be for properties not previously inspected within the last three years.

2025

City of Newcastle – Including but not limited to the subdivisions and abstracts located within the city limits. This entire location is scheduled for a complete reappraisal, for all property types not previously reappraised within the last three years. This currently contains around 650 parcels. Other reappraisals shall be done as currently scheduled in the next field inspection que.

City of Olney – Including but not limited to the subdivisions and abstracts located within the city limits. This entire location is scheduled for a complete reappraisal, for all property types not previously reappraised within the last three years. This currently contains around 2,220 parcels. Other reappraisals shall be done as currently scheduled in the next field inspection que.

West Region– All rural regions outside of the city limits of Olney and Newcastle as outlined on the Young County Regional Map that have not been inspected within the last three years.

Misc. Properties – Reappraisals will be done on all properties other than those listed above as scheduled within the reappraisal cycle each year in the scheduled next field inspection que, within the PACS CAMA software monitor as “Rechecks” etc.

2026

City of Graham – Including but not limited to the subdivisions and abstracts located within the city limits. This entire region is scheduled for a reappraisal, for all property types, located within the city limits that have not been reappraised within the last three years. This currently contains 6,750 parcels. Other reappraisals shall be done as currently scheduled in the next field inspection que.

Southeast Region – All rural regions outside of the city limits of Graham, etc. as outlined on the Young County Regional Map, that have not been reappraised within the last three years. This is excluding the Alta Vista/Spivey Hill, Lake Graham, Lakewood West, Timber Ridge and Timber Lake subdivisions.

Misc. Rural Abstracts & City Properties – Reappraisals will be done on all properties other than those listed above as scheduled within the reappraisal cycle each year in the scheduled next field inspection que, within the PACS CAMA software monitor as “Rechecks” etc.

EXHIBIT "D"

S.B. 1652* BIENNIAL REAPPRAISAL PLAN

**FOR THE ANNUAL APPRAISAL FOR
AD VALOREM TAX PURPOSES OF
MINERAL, INDUSTRIAL, UTILITY AND
RELATED PERSONAL PROPERTY**

For Tax Years:

2025 and 2026**

Originally Printed: July 2024

***This biennial reappraisal plan is largely predicated on the Scope of Work Rule in the most recent version of Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by The Appraisal Foundation's Appraisal Standards Board (ASB). The 2024 edition of USPAP has an effective start date but no end date. Because the standards have matured, the ASB now states that the need for the standards to be updated on a regular basis has decreased. Therefore, the 2024 USPAP will be effective for an indeterminate number of tax years, or until the next USPAP version is produced.*

*Senate Bill 1652 passed by the Texas Legislature, 79th Regular Session in 2005, amending Section 6.05 of the Texas Property Tax Code, adding Subsection (i) as follows:

"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 for 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."



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POLICY STATEMENT OF PRITCHARD & ABBOTT, INC., ON THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE

Pritchard & Abbott, Inc., (P&A), a privately held company engaged primarily, but not wholly, in the ad valorem tax valuation industry endorses Uniform Standards of Professional Appraisal Practice (USPAP) as the basis for the production of sound appraisals. Insofar as the statutory requirement to appraise groups (or a “universe”) of real and personal property within an established period of time using standardized procedures—and subjecting the resulting appraisals to statistical measures—is the definition of mass appraisal, P&A subscribes to USPAP Standards 5 and 6 (Mass Appraisal, Development and Reporting) whenever applicable in the development and defense of values. When circumstances clearly dictate the use of single property appraisal procedures, P&A adheres to the spirit and intent of the remaining USPAP Standards within all appropriate, practical, and/or contractual limitations or specifications.

A biennial reappraisal plan is, at its core, a discussion of the CAD’s intended implementation of the Scope of Work Rule in USPAP. This plan provides general information about this rather comprehensive USPAP rule, as well as the specific steps P&A takes in the actual appraisal of various property types per our contractual obligations. This Biennial Reappraisal Plan should not be confused or conflated with an “appraisal manual” or other “how-to” guide which may or may not exist within P&A for any particular property type we appraise.

This reappraisal plan discusses a few other USPAP rules that interact with the Scope of Work Rule, such as the Ethics Rule, the Record Keeping Rule, and Jurisdictional Exception Rule. For further information regarding other sections of USPAP, including the Competency Rule, definitions, and appraisal reports, please reference P&A’s “USPAP report” which accompanies our appraisals and supporting documentation provided to clients per Property Tax Code, Sec. 25.01(c) at the completion of each tax year. ***An appraisal season thus begins with an appraisal plan (approved by the CAD’s Board of Directors) and ends with appraisal reports.*** Providing these reports is definitely part of the plan. Likewise, much of the verbiage in the “USPAP report” is a reiteration of the Biennial Reappraisal Plan.

USPAP defines “appraisal” as the act or process of developing an opinion of value or pertaining to appraising and related functions such as appraisal practice or appraisal services. Valuation services is defined as services pertaining to an aspect of property value, regardless of the type of service and whether it is performed by appraisers or by others. The USPAP definition of “appraiser” is one who is expected to perform valuation services competently and in a manner that is ***independent, impartial, and objective.*** USPAP Advisory Opinion

21: *USPAP Compliance* states that this expectation (by clients and intended users of appraisal reports) is the basis that creates an ethical obligation to comply with USPAP, even if not legally required. Advisory opinions do not establish new standards or interpret existing standards, but instead are issued to illustrate the applicability of appraisal standards in specific situations.

The majority of property types that P&A typically appraises for ad valorem tax purposes are categorized as unique, complex, and/or “special purpose” properties (mineral interests, industrial, utility, and related personal property). These categories of properties do not normally provide sufficient market data of reliable quality and/or quantity to support the rigorous use of all USPAP-prescribed mass appraisal development mandates (Standard

5: Mass Appraisal, Development), particularly with regards to some, but not all, of the *model calibration* and *statistical performance testing* confines. However, P&A does strive to employ all or most elements of mass appraisal techniques with regards to the *definition* and *identification of property characteristics* and *model specification* and application.

Per USPAP Advisory Opinion 32: *Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments*, in the interests of equity, the scope of work in mass appraisal assignments for ad valorem taxation can include consideration of appraisal level (the overall proximity between appraised values and actual prices) and the

uniformity of property values (equity within groups of like properties). The appraiser is responsible for recognizing when the concepts of appraisal level and appraisal uniformity are necessary for credible assignment results in a mass appraisal assignment for ad valorem taxation.

Residential real estate property appraisers most frequently apply mass appraisal methods within the sales comparison (market) approach to value. Through the use of standardized data collection (i.e., actual market sales), specification and calibration of mass appraisal models, tables, and schedules are possible. Through ratio study analysis and other performance measures, a cumulative summary of valuation accuracy can thus be produced in order to calibrate the appraisal model(s). Where sufficient data of reliable quality exists, mass appraisal is also used for other types of real estate property such as farms, vacant lots, and some commercial uses (e.g., apartments, offices, and small retail).

Regarding mass appraisal reports due the client and other intended users per USPAP (Standard 6 (Mass Appraisal, Reporting), a written report of the mass appraisal as described in Standards 6-2 is not provided for each individual property. An individual property record or worksheet may describe the valuation of the specific property after the application of the mass appraisal model. To understand the individual property result developed in a mass appraisal requires the examination of all the information and analysis required by Standards 6-2.

P&A will clearly state or otherwise make known all extraordinary assumptions, hypothetical conditions, limitations imposed by assignment conditions, and/or jurisdictional exceptions in its appraisal reports as they are conveyed to our clients. ***Intended users of our reports are typically the client(s) for which we are under direct contract.*** Although taxpayers or their agents who own and/or represent the subject property being appraised often receive these reports either by law or as a courtesy of the client or P&A, this receipt does not mean these parties automatically become Intended Users as defined by USPAP. ***A party receiving a copy of a report in order to satisfy disclosure requirements does not become an intended user of the appraisal or mass appraisal unless the appraiser specifically identifies such party as an intended user.*** Potential other users include parties involved in adjudication of valuation disputes (review board members, lawyers, judges, etc.), governmental agencies which periodically review our appraisals for various statutory purposes (such as the Texas Comptroller's Office) and private parties who may obtain copies of our appraisals through Open Records Requests made to governmental agencies.

USPAP does not currently address communications of assignment results prior to completion of the assignment, thus such communications have no requirements other than to comply with the general requirements in the Ethics Rule, the Competency Rule, and the Jurisdictional Exception Rule. The client and all intended users should be aware that mass appraisals, as opposed to most "fee" appraisals, are somewhat inherently "limited" versus "complete" and that appraisal reports, unless otherwise contracted for by the client, will most often be of a "restricted" nature whereas explanations of appraisal methods and results are more concise versus lengthy in order to promote brevity, clarity, and transparency to the intended user(s).

Per USPAP, the appropriate reporting option and level of information in a report are dependant on the intended use and the intended users. Although the reporting verbiage in USPAP Standard 6 does not specifically offer or promulgate a "Restricted Appraisal Report" such as in Standard 2 (Real Property Appraisal, Reporting) and Standard 8 (Personal Property Appraisal, Reporting), it should be noted that: a) all mass appraisals and mass appraisal reports deal with real and personal property in some form or fashion; and b) P&A is a private consulting firm, a fact which may necessitate the withholding of certain data and/or appraisal models/techniques which are deemed confidential, privileged and/or proprietary in nature. The use of "limited" appraisals in conjunction with "restricted" reports in no way implies non-compliance with USPAP. ***The substantive content of a report determines its compliance.***

P&A believes that, with its vast experience and expertise in these areas of appraisal, all concluded values and reports thereof are credible, competent, understandable, uniform and consistent; and most importantly for ad

valorem tax purposes, accomplished in a cost-efficient and timely manner.

Per previous ASB comments under Standard 6-2(b) [*scope of work... special limiting conditions*]:

“Although appraisers in ad valorem taxation should not be held accountable for limitations beyond their control, they are required by this specific requirement to identify cost constraints and to take appropriate steps to secure sufficient funding to produce appraisals that comply with these standards. Expenditure levels for assessment administration are a function of a number of factors. Fiscal constraints may impact data completeness and accuracy, valuation methods, and valuation accuracy. Although appraisers should seek adequate funding and disclose the impact of fiscal constraints on the mass appraisal process, they are not responsible for constraints beyond their control.”

In any event, however, it is not P&A’s intent to allow constraints, fiscal or otherwise, to limit the scope of work to such a degree that the mass appraisal results provided to our clients are not credible within the context of the intended use(s) of the appraisal.

PREAMBLE

The purpose of USPAP is to establish requirements and conditions for ethical, thorough, and transparent property valuation services. Valuation services pertain to all aspects of property value and include services performed by appraisers and other professionals including attorneys, accountants, insurance estimators, auctioneers, or brokers. Valuation services include appraisal, appraisal review, and appraisal consulting. The primary intent of these Standards is to promote and maintain a high level of public trust in professional appraisal practice.

It is essential that professional appraisers develop and communicate their analyses, opinions, and conclusions to intended users of their services in a manner that is meaningful and not misleading. The importance of the role of the appraiser places ethical obligations upon those who serve in this capacity. These USPAP Standards reflect the current standards of the appraisal profession.

These Standards are for both appraisers and users of appraisal services. To maintain a high level of professional practice, appraisers observe these Standards. However, these Standards do not in themselves establish which individuals or assignments must comply. The Appraisal Foundation nor its Appraisal Standards Board is not a government entity with the power to make, judge, or enforce law. Compliance with USPAP is only required when either the service or the appraiser is obligated to comply by law or regulation, or by agreement with the client or intended users. When not obligated, individuals may still choose to comply.

USPAP addresses the ethical and performance obligations of appraisers through Definitions, Rules, Standards, Statements (if any), and Advisory Opinions. USPAP Standards deal with the procedures to be followed in performing an appraisal or appraisal review and the manner in which each is communicated. A brief description of the USPAP Standards are as follows:

- # **Standards 1 and 2:** establish requirements for the development and communication of a real property appraisal.
- # **Standards 3 and 4:** establishes requirements for the development and communication of an appraisal review.
- # **Standards 5 and 6:** establishes requirements for the development and communication of a mass appraisal.
- # **Standards 7 and 8:** establish requirements for the development and communication of a personal property appraisal.
- # **Standards 9 and 10:** establish requirements for the development and communication of a business or intangible asset appraisal.

Section 23.01(b) [*Appraisals Generally*] of the Texas Property Tax Code states:

“The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the Appraisal District determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice....” (underline added for emphasis)

Consequently, USPAP Standards 5 and 6 are assumed to be applicable for ad valorem tax purposes in Texas, if mass appraisal practices are in fact being used to appraise the subject property. USPAP Advisory Opinion 32 suggests several USPAP standards other than Standards 5 or 6 can apply in ad valorem tax work. It appears that an appraiser engaged in ad valorem tax work in Texas is not specifically required by law to rigorously follow USPAP standards if in fact mass appraisal practices have not been used to appraise the subject property. The Jurisdictional Exception Rule could then be invoked because of a contradiction between the requirements of USPAP and the law or regulation of a jurisdiction. Please see the P&A Policy Statement on USPAP as provided elsewhere in this report for a more detailed discussion regarding this matter.

ETHICS RULE

Because of the fiduciary responsibilities inherent in professional appraisal practice, the appraiser must observe the highest standards of professional ethics. This Ethics Rule is divided into four (4) sections:

- Nondiscrimination;
- Conduct;
- Management;
- Confidentiality.

This Rule emphasizes the personal obligations and responsibilities of the individual appraiser. However, it should be noted that groups and organizations *which are comprised of individual appraisers engaged in appraisal practice* effectively share the same ethical obligations. To the extent the group or organization does not follow USPAP Standards when legally required, individual appraisers should take steps that are appropriate under the circumstances to ensure compliance with USPAP.

Compliance with these Standards is required when either the service or the appraiser is obligated by law or regulation, or by agreement with the client or intended users, to comply. *Compliance is also required when an individual, by choice, represents that he or she is performing the service as an appraiser.*

An appraiser must not misrepresent his or her role when providing valuation services that are outside of appraisal practice.

Honesty, impartiality, and professional competency are required of all appraisers under USPAP Standards. To document recognition and acceptance of his or her USPAP-related responsibilities in communicating an appraisal or appraisal review completed under USPAP, an appraiser is required to certify compliance with these Standards.

NONDISCRIMINATION

An appraiser must not act in a manner that violates or contributes to a violation of federal, state, or local anti-discrimination laws or regulations. This includes the Fair Housing Act (FHA), the Equal Credit Opportunity Act (ECOA), and the Civil Rights Act of 1866.

An appraiser must have knowledge of anti-discrimination laws and regulations and when those laws or regulations apply to the appraiser or to the assignment. An appraiser must complete an assignment in full compliance with applicable laws and regulations.

1. An appraiser, when completing a residential real property assignment, must not base their opinion of value in whole or in part on race, color, religion, national origin, sex, disability, or familial status.
2. An appraiser, when completing an assignment where the intended use is in connection with a credit transaction, not limited to credit secured by real property, must not base their opinion of value in whole or in part on race, color, religion, national origin, sex, marital status, age, source of income, or the good-faith exercise of rights under the Consumer Credit Protection Act.
3. An appraiser must not violate any state or local anti-discrimination laws or regulations applicable to the appraiser or to their assignment.

Whether or not any anti-discrimination law or regulation applies:

1. An appraiser must not develop and/or report an opinion of value that, in whole or in part, is based on the actual or perceived race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s).
2. An appraiser must not base an opinion of value upon the premise that homogeneity of the inhabitants of a geographic area is relevant for the appraisal.
3. An appraiser must not perform an assignment with bias with respect to the actual or perceived race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s).
4. An appraiser must not use or rely upon another characteristic as a pretext to conceal the use of or reliance upon race, ethnicity, color, religion, national origin, sex, sexual orientation, gender, gender identity, gender expression, marital status, familial status, age, receipt of public assistance income, or disability of any person(s), when performing an assignment.

If an assignment does not involve residential real property and the intended use is not in connection with a credit transaction, the FHAct and ECOA do not apply. If the FHAct and ECOA do not apply, and no other law or regulation prohibits the use of or reliance upon a protected characteristic,⁵ then the use of or reliance upon that characteristic is permitted only to the extent that it is essential to the assignment and necessary for credible assignment results.

CONDUCT

An appraiser must perform assignments with impartiality, objectivity, and independence, and without accommodation of personal interests.

An appraiser:

- must not perform an assignment with bias;
- must not advocate the cause or interest of any party or issue;
- ***must not accept an assignment that includes the reporting of predetermined opinions and conclusions;***
- must not misrepresent his or her role when providing valuation services that are outside of appraisal practice;
- must not communicate assignment results with the intent to mislead or to defraud;
- must not use or communicate a report or assignment results known by the appraiser to be misleading or fraudulent;
- must not knowingly permit an employee or other person to communicate a report or assignment results that are misleading or fraudulent report;
- must not engage in criminal conduct;
- must not willfully or knowingly violate the requirements of the RECORD KEEPING RULE; and must not perform an assignment in a grossly negligent manner.

If known prior to accepting an assignment, and/or if discovered at any time during the assignment, an appraiser must disclose to the client, and in each subsequent report certification:

- any current or prospective interest in the subject property or parties involved; and
- any services regarding the subject property performed by the appraiser within the three year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity.

The appraiser can agree with the client to keep the mere occurrence of a prior appraisal assignment confidential. If an appraiser has agreed with the client not to disclose that he or she has appraised a property, the appraiser must decline all subsequent assignment that fall with the three year period. In assignments in which there is no report, only the initial disclosure to the client is required.

Presumably all parties in ad valorem tax appraisal will be aware of the ongoing yearly nature of the appraisal assignments performed by valuation consulting firms like Pritchard & Abbott, Inc.—i.e., it will not be confidential—so that this particular conduct instruction is more or less a moot point (regarding the three year period discussed) if the prior service is in fact the ad valorem tax appraisals performed in previous tax years.

MANAGEMENT

The payment of a fee, commission, or a thing of value by the appraiser in connection with the procurement of an assignment must be disclosed. This disclosure must appear in the certification and in any transmittal letter in which conclusions of value are stated; however, the disclosure of the amount paid is not required. Intra-company payments to employees of groups or organizations involved in appraisal practice for business development do not require disclosure.

It is unethical for an appraiser to accept compensation for performing an assignment when it is contingent upon the reporting of a ***predetermined result, a direction in assignment results that favors the cause of the client, the amount of a value opinion, the attainment of a stipulated result,*** or the occurrence of a subsequent event directly related to the appraiser's opinions and specific to the assignment's purpose.

Advertising for or ***soliciting assignments in a manner that is false, misleading, or exaggerated*** is unethical. Decisions regarding finder or referral fees, contingent compensation, and advertising may not be the responsibility of an individual appraiser, but for a particular assignment it is the responsibility of the individual appraiser to ascertain that there has been no breach of ethics, that the assignment consulting assignment has been prepared in accordance with USPAP Standards, and that the report can be properly certified when required by USPAP Standards 2-3, 4-3, 6-3, 8-3, or 10-3.

An appraiser must affix, or authorize the use of, his or her signature to certify recognition and acceptance of his or her USPAP responsibilities in an appraisal or appraisal review assignment. An appraiser may authorize the use of his or her signature only on an assignment-by-assignment basis.

In addition, an appraiser must not affix the signature of another appraiser without his or her consent. An appraiser must exercise due care to prevent unauthorized use of his or her signature. However, an appraiser exercising such care is not responsible for unauthorized use of his or her signature.

CONFIDENTIALITY

An appraiser must protect the confidential nature of the appraiser-property owner relationship.

An appraiser must act in good faith with regard to the legitimate interests of the client in the use of confidential information and in the communication of assignment results.

An appraiser must be aware of, and comply with, all confidentiality and privacy laws and regulations applicable in an assignment.

An appraiser must not disclose confidential factual data obtained from a property owner to anyone other than:

1. The client;
2. Parties specifically authorized by the client;
3. State appraiser regulatory agencies;
4. Third parties as may be authorized by due process of law; or
5. A duly authorized professional peer review committee except when such disclosure to a committee would violate applicable law or regulation.

An appraiser must take reasonable steps to safeguard access to confidential information and assignment results by unauthorized individuals, whether such information or results are in physical or electronic form. In addition, an appraiser must ensure that employees, coworkers, subcontractors, or others who may have access to confidential information or assignments results, are aware of the prohibitions on disclosure of such information or results.

It is unethical for a member of a duly authorized professional peer review committee to disclose confidential information presented to the committee.

When all confidential elements of confidential information are removed through redaction or the process of aggregation, client authorization is not required for the disclosure of the remaining information, as modified.

RECORD KEEPING RULE

An appraiser must prepare a workfile for each appraisal or appraisal review assignment. A workfile must be in existence prior to the issuance of any report or other communication of assignment results. A written summary of an oral report must be added to the workfile within a reasonable time after the issuance of the oral report.

The workfile must include the name of the client and the identity, by name or type, of any other intended users, and true copies of all written reports, documented on any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy.) A workfile must contain summaries of all oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation.

A workfile in support of a Restricted Appraisal Report or an oral appraisal report must be sufficient for the appraiser to produce an Appraisal Report. A workfile in support of an oral appraisal review report must be sufficient for the appraiser to produce an Appraisal Review Report.

An appraiser must retain the workfile for a period of at least *five years after preparation* or at least two years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires last.

An appraiser must have custody of the workfile, or make appropriate workfile retention, access, and retrieval arrangements with the party having custody of the workfile. This includes ensuring that a workfile is stored in a medium that is retrievable by the appraiser throughout the prescribed record retention period. An appraiser having custody of a workfile must allow other appraisers with workfile obligations related to an assignment appropriate access and retrieval for the purpose of:

- submission to state appraiser regulatory agencies;
- compliance with due process of law;
- submission to a duly authorized professional peer review committee; or
- compliance with retrieval arrangements.

A workfile must be made available by the appraiser when required by a state appraiser regulatory agency or due process of law.

An appraiser who willfully or knowingly fails to comply with the obligations of this Record Keeping Rule is in violation of the Ethics Rule.

SCOPE OF WORK RULE

For each appraisal or appraisal review assignment, an appraiser must:

1. Identify the problem to be solved;
2. Determine and perform the scope of work necessary to develop credible assignment results; and
3. Disclose the scope of work in the report.

An appraiser must properly identify the problem to be solved in order to determine the appropriate scope of work. The appraiser must be prepared to demonstrate that the scope of work is sufficient to produce credible assignment results.

Scope of work includes, but is not limited to:

- the extent to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data researched; and
- the type and extent of analyses applied to arrive at opinions or conclusions.

Appraisers have broad flexibility and significant responsibility in determining the appropriate scope of work for an appraisal or appraisal review assignment. Credible assignment results require support by relevant evidence and logic. *The credibility of assignment results is always measured in the context of the intended use.*

PROBLEM IDENTIFICATION

An appraiser must gather and analyze information about those assignment elements that are necessary to properly identify the appraisal, appraisal review or appraisal consulting problem to be solved. The assignment elements necessary for problem identification are addressed in the Standard 6-2:

- client and any other intended users;
- intended use of the appraiser's opinions and conclusions;
- type and definition of value;
- effective date of the appraiser's opinions and conclusions;
- subject of the assignment and its relevant characteristics; and
- assignment conditions.

This information provides the appraiser with the basis for determining the type and extent of research and analyses to include in the development of an appraisal. Similar information is necessary for problem identification in appraisal review and appraisal consulting assignments. Assignment conditions include:

- assumptions;
- extraordinary assumptions;
- hypothetical conditions;
- laws and regulations;
- jurisdictional exceptions; and
- other conditions that affect the scope of work.

SCOPE OF WORK ACCEPTABILITY

The scope of work must include the research and analyses that are necessary to develop credible assignment results. The scope of work is acceptable when it meets or exceeds:

- the expectations of parties who are regularly intended users for similar assignments; and
- what an appraiser's peers' actions would be in performing the same or a similar assignment.

Determining the scope of work is an ongoing process in an assignment. Information or conditions discovered during the course of an assignment might cause the appraiser to reconsider the scope of work. An appraiser must be prepared to support the decision to exclude any investigation, information, method, or technique that would appear relevant to the client, another intended user, or the appraiser's peers.

An appraiser must not allow assignment conditions to limit the scope of work to such a degree that the assignment results are not credible in the context of the intended use. In addition, the appraiser must not allow the intended use of an assignment or a client's objectives to cause the assignment results to be biased.

DISCLOSURE OBLIGATIONS

The report must contain sufficient information to allow intended the client and other intended users to understand the scope of work performed. Proper disclosure is required because clients and other intended users may rely on the assignment results. Sufficient information includes disclosure of research and analyses performed or not performed. ***The information disclosed must be appropriate for the intended use of the assignment results.***

Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. ***The appraiser has broad flexibility and significant responsibility in the level of detail and manner of disclosing the scope of work in the appraisal report or appraisal review report.*** The appraiser may, but is not required to, consolidate the disclosure in a specific section or sections of the report, or use a particular label, heading or subheading. An appraiser may choose to disclose the scope of work as necessary throughout the report.

JURISDICTIONAL EXCEPTION RULE

If any applicable law or regulation precludes compliance with any part of USPAP, only that part of USPAP becomes void for that assignment. When compliance with USPAP is required by federal law or regulation, no part of USPAP can be voided by a law or regulation of a state or local jurisdiction. ***When an appraiser properly follows this Rule in disregarding a part of USPAP, there is no violation of USPAP.***

In an assignment involving a jurisdictional exception, an appraiser must:

- identify the law or regulation that precludes compliance with USPAP;
- comply with that law or regulation;
- clearly and conspicuously disclose in the report the part of USPAP that is voided by that law or regulation;
and
- cite in the report the law or regulation requiring this exception to USPAP compliance.

The purpose of the Jurisdictional Exception Rule is strictly limited to providing a saving or severability clause intended to preserve the balance of USPAP if one or more of its parts are determined as contrary to law or public policy of a jurisdiction. By logical extension, there can be no violation of USPAP by an appraiser who disregards, with proper disclosure, only the part or parts of USPAP that are void and of no force and effect in a particular assignment by operation of legal authority.

It is misleading for an appraiser to disregard a part or parts of USPAP as void and of no force and effect in a particular assignment without identifying the part or parts disregarded and the legal authority justifying this action in the appraiser's report.

“Law” includes constitutions, legislative and court-made law, and administrative rules (such as from the Office of the Texas Comptroller of Public Accounts) and ordinances. “Regulations” include rules or orders having legal force, issued by an administrative agency. ***Instructions from a client or attorney do not establish a jurisdictional exception.***

A jurisdictional exception prevalent in Texas is that appraisers are seeking to establish “fair market value” as defined by the Texas Property Tax Code instead of “market value” as found in the USPAP definitions section.

USPAP STANDARDS 5 AND 6: MASS APPRAISAL, DEVELOPMENT AND REPORTING (General Discussion)

In developing a mass appraisal, an appraiser must be aware of, understand, and correctly employ those recognized methods and techniques necessary to produce and communicate credible mass appraisals.

Standards 5 and 6 apply to all mass appraisals of real and personal property regardless of the purpose or use of such appraisals. It is directed toward the substantive aspects of developing and communicating competent analyses, opinions, and conclusions in the mass appraisal of properties, whether real property or personal property. Standard 5 is directed toward the substantive aspects of developing credible analyses, opinions, and conclusions in the mass appraisal of properties, while Standard 6 addresses the content and level of information required in a written report that communicates the results of a mass appraisal. The reporting and jurisdictional exceptions applicable to public mass appraisals prepared for purposes of ad valorem taxation do not apply to mass appraisals prepared for other purposes.

A mass appraisal includes:

- identifying properties to be appraised;
- defining market areas of consistent behavior that applies to properties;
- identifying characteristics (supply and demand) that affect the creation of value in that market area;
- developing (specifying) a model structure that reflects the relationship among the characteristics affecting value in the market area;
- calibrating the model structure to determine the contribution of the individual characteristics affecting value;
- applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
- reviewing the mass appraisal results.

The Jurisdictional Exception Rule may apply to several sections of Standards 5 and 6 because ad valorem tax administration is subject to various state, county, and municipal laws.

As previously stated in the P&A Policy Statement (page 2), it may not be possible or practicable for all the mass appraisal attributes listed above to be rigorously applied to the many types of complex and/or unique properties that P&A typically appraises. Often there are contractual limitations on the scope of work needed or required. More prevalently, these types of properties do not normally provide a reliable database of market transactions (or details of transactions) necessary for statistically supportable calibration of appraisal models and review of appraisal results. Generally these two functions are effectively accomplished through annual extended review meetings with taxpayers (and clients) who provide data, sometimes confidentially, that allows for appraisal models to be adjusted where necessary. Nevertheless, and not withstanding whether P&A implicitly or explicitly employs or reports all attributes listed above, in all cases P&A at the minimum employs tenants of “generally accepted appraisal methods” which are the genesis of USPAP Standards.

Per USPAP guidelines, P&A will make known all departures and jurisdictional exceptions when invoked (if an appraisal method or specific requirement is applicable but not necessary to attain credible results in a particular assignment).

The various sections of Standard 5 (development of mass appraisal) and Standard 6 (communication of the mass appraisal results) are briefly summarized below:

- ! **Standard 5-1:** Establishes the appraiser’s technical and ethical framework. Specifically, appraisers must recognize and use established principles, methods and techniques of appraisal in a careful manner while not committing substantial errors of fact or negligence that would materially affect the appraisal results and not give a credible estimate of fair market value. To this end appraisers must continuously improve his or her skills to maintain proficiency and keep abreast of any new developments in the real and personal property appraisal profession. This Standards does not imply that competence requires perfection, as perfection is impossible to attain. Instead, it requires appraisers to employ every reasonable effort with regards to due diligence and due care.

- ! **Standard 5-2:** Defines the introductory framework requirements of developing a mass appraisal, focusing on the identification and/or definition of: client(s), intended users, effective date, appraisal perspective, scope of work, extraordinary assumptions, hypothetical conditions, the type and definition of value being developed (typically “fair market value” for ad valorem tax purposes), characteristics of the property being appraised in relation to the type and definition of value and intended use, the characteristics of the property’s market, the property’s real or personal attributes, fractional interest applicability, highest and best use analysis along with other land-related considerations, and any other economic considerations relevant to the property.

- ! **Standard 5-3:** Defines requirements for developing and specifying appropriate mass appraisal data and elements applicable for real and personal property. For real property, the data and elements include: existing land use regulations, reasonably probable modification of such regulations, economic supply and demand, the physical adaptability of the real estate, neighborhood trends, and highest and best use analysis. For personal property, the relevant data and elements include: identification of industry trends, trade level, highest and best use, and recognition of the appropriate market consistent with the type and definition of value.

- ! **Standard 5-4:** Further defines requirements for developing mass appraisal models, focusing on development of standardized data collection forms, procedures, and training materials that are used uniformly on the universe of properties under consideration. This rule specifies that appraisers employ recognized techniques for specifying and calibrating mass appraisal models. Model specification is the formal development of a model in a statement or mathematical equation, including all due considerations for physical, functional, and external market factors as they may affect the appraisal. These models must accurately represent the relationship between property value and supply and demand factors, as represented by quantitative and qualitative property characteristics. Models must be calibrated using recognized techniques, including, but not limited to, multiple linear regression, nonlinear regression, and adaptive estimation. Models may be specified incorporating the income, market, and/or cost approaches to value and may be tabular, mathematical, linear, nonlinear, or any other structure suitable for representing the observable property characteristics such as adaptive estimation. Model calibration refers to the process of analyzing sets of property and market data to determine the specific parameters of a model.

- ! **Standard 5-5:** Defines requirements for collection of sufficient factual data, in both qualitative and quantitative terms, necessary to produce credible appraisal results. The property characteristics collected must be contemporaneous with the effective date of the appraisal. The data collection program should incorporate a quality control procedure, including checks and audits of the data to ensure current and consistent records. This rule also calls for calls for an appraiser, in developing income and expense statements and cash flow projections, to weigh historical information and trends, current market factors affecting such trends, and reasonably anticipated events, such as competition from developments either planned or under construction. Terms and conditions of any leases should be analyzed, as well as the need for and extent of any physical inspection of the properties being appraised.

- ! **Standard 5-6:** Defines requirements for application of a calibrated model to the property being appraised. This rule calls for: the appraiser to recognize methods or techniques based on the cost, market, and income approaches for improved parcels; the appraiser to value sites by recognized methods or techniques such as allocation method, abstraction method, capitalization of ground rent, and land residual; the appraiser to develop value of leased fee or leasehold estates with consideration for terms and conditions of existing leases, and, when applicable by law, as if held in fee simple whereas market rents are substituted for actual contract rents; the appraiser to analyze the effect on value, if any, of the assemblage of the various parcels, divided interests, or component parts of a property; the appraiser to analyze anticipated public or private improvements located on or off the site, and analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.

- ! **Standard 5-7:** Defines the reconciliation process of a mass appraisal. Specifically, appraisers must analyze the results and/or applicability of the various approaches used while ensuring that, on an overall basis, standards of reasonableness and accuracy are maintained with the appraisal model selected (underline added for emphasis). It is implicit in mass appraisal that, even when properly specified and calibrated models are used, some individual value conclusions will not meet standards of reasonableness, consistency, and accuracy. Appraisers have a professional responsibility to ensure that, on an overall basis, models produce value conclusions that meet attainable standards of accuracy.

- ! **Standard 6-1:** Defines general requirements of a mass appraisal report which is required to be in writing; no option exists for oral reports. This standard addresses the level of information required so that the report is clearly understood (i.e., not misleading) and sufficiently qualified with any assumptions and conditions (elements of which are further detailed in the next three sections of this report that discuss P&A appraisal procedures with regards to specific categories of property).

- ! **Standard 6-2:** Defines specific content required to be included in a mass appraisal written report.

- ! **Standard 6-3:** Defines the certification of the mass appraisal written report.

The following sections of this report discuss in more detail the various elements of the development of P&A's mass appraisals and associated written reports as required by USPAP Standards 5 and 6, with regards to P&A appraisal of Mineral Interests, Industrial, Utility, Related Personal Property, and Real Estate.

USPAP STANDARDS 5, 6-1, 6-2: MASS APPRAISAL OF MINERAL INTERESTS

INTRODUCTION

Definition of Appraisal Responsibility (Scope of Effort): The Mineral Valuation Department of Pritchard & Abbott, Inc. (“P&A” hereinafter), is responsible for developing credible values for mineral interests (full or fractional percentage ownership of oil and gas leasehold interest, the amount and type of which are legally and/or contractually created and specified through deeds and leases, et.al.) associated with producing (or capable of producing) leases. Mineral interests are typically considered real property because of their derivation from the bundle of rights associated with original fee simple ownership of land. Typically all the mineral interests that apply to a single producing lease are consolidated by type (working vs. royalty) with each type then appraised for full value which is then distributed to the various fractional decimal interest owners prorata to their individual type and percentage amount.

P&A’s typical client is a governmental entity charged with appraisal responsibility for ad valorem tax purposes, although other types of clients (private businesses, individuals, etc.) occasionally contract for appraisal services which are strictly for various non-ad valorem tax purposes so that no conflicts of interest are created with P&A’s core ad valorem tax work.

P&A hereby makes the **assumption** that, in all appraisal assignments performed for governmental entities in satisfaction of contractual obligations related to ad valorem tax , the client does not wish to or cannot legally request the appraisal report not identify the client.

Intended users of our reports are typically the client(s) for which we are under direct contract. Although taxpayers or their agents who own and/or represent the subject property being appraised often receive these reports either by law or as a courtesy of the client or P&A, this receipt does not mean these parties automatically become Intended Users as defined by USPAP. **A party receiving a copy of a report in order to satisfy disclosure requirements does not become an intended user of the appraisal or mass appraisal unless the appraiser specifically identifies such party as an intended user.** Potential other users include parties involved in adjudication of valuation disputes (review board members, lawyers, judges, etc.), governmental agencies which periodically review our appraisals for various statutory purposes (such as the Texas Comptroller’s Office) and private parties who may obtain copies of our appraisals through Open Records Requests made to governmental agencies.

This section of P&A’s USPAP report is not applicable to any mineral or mineral interest property that an appraisal district appraises outside of P&A’s appraisal services, in which case the appraisal district’s overall USPAP report should be referenced.

P&A makes the **Extraordinary Assumption** that all properties appraised for ad valorem tax purposes are marketable whereas ownership and title to property are free of encumbrances and other restrictions that would affect fair market value to an extent not obvious to the general marketplace. If and/or when we are made aware of any encumbrances, etc., these would be taken into account in our appraisal in which case the extraordinary assumption stated above would be revoked.

P&A is typically under contract to determine current market value or “fair market value” of said mineral interests. Fair market value is typically described as the price at which a property would sell for if:

- exposed in the open market with a reasonable time for the seller to find a purchaser;
- both the buyer and seller know of all the uses and purposes to which the property is, or can be, adapted and of the enforceable restrictions on its use; and

- both the buyer and seller seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other. [Exigencies are pressing or urgent conditions that leave one party at a disadvantage to the other.]

For ad valorem tax purposes the effective date is usually legislatively specified by the particular State in which we are working - for example, in Texas the lien date is January 1 per the Texas Property Tax Code. For ad valorem tax purposes, the date of the appraisals and reports are typically several months past the effective date, thereby leaving open the possibility that a retrospective approach is appropriate under limited and prescribed circumstances (information after the effective date being applicable only if it confirms a trend or other appraisal condition that existed and was generally known as of the effective date).

P&A believes this section of this report, in conjunction with any attached or separately provided P&A-generated report(s), meets the USPAP definition of “typical practice”; i.e., it satisfies a level of work that is consistent with:

- the expectations of participants in the market for the same or similar appraisal services; and
- what P&A’s peers’ actions would be in performing the same or similar appraisal services in compliance with USPAP.

Legal and Statutory Requirements: In Texas, the provisions of the Texas Property Tax Code and other relevant legislative measures involving appraisal administration and procedures control the work of P&A as an extension of the Appraisal District. Other states in which P&A is employed will have similar controlling legislation, regulatory agencies, and governmental entities. P&A is responsible for appraising property on the basis of its fair market value as of the stated effective date (January 1 in Texas) for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the contracted Appraisal District. All mineral properties (interests) are reappraised annually. The definition of Fair Market Value is provided and promulgated for use in ad valorem tax work in Texas by the Texas Property Tax Code, and therefore as a **Jurisdictional Exception** supercedes the definition of “market value” as found in USPAP definitions.

NOTE: IN TEXAS, P&A BELIEVES THE PROPERTY BEING APPRAISED AND PLACED ON THE TAX ROLL IS THE INTEREST AND NOT THE OIL OR GAS MINERAL ITSELF, PER PROPERTY TAX CODE SECTION 1.04(2)(F).

WHILE OIL AND GAS RESERVES CERTAINLY HAVE VALUE, THE FACT IS THAT IT IS THE INTERESTS IN THESE MINERALS THAT ARE BOUGHT AND SOLD, NOT THE MINERALS THEMSELVES. THE SALE OF MINERALS AS THEY ARE EXTRACTED FROM THE SUBSURFACE OF THE LAND WHERE THEY RESIDE AS MINERALS IN PLACE “MONETIZES” THE INTEREST AND THUS GIVES THE INTEREST ITS VALUE. WHENEVER P&A REFERS TO “MINERAL PROPERTIES” IN THIS REPORT OR IN ANY OTHER SETTING, IT IS THE MINERAL INTEREST, AND NOT THE MINERAL ITSELF, THAT IS THE SUBJECT OF THE REFERENCE.

Administrative Requirements: P&A endorses the principals of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures. P&A also endorses, and follows when possible, the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP). In all cases where IAAO and/or USPAP requirements cannot be satisfied for reasons of practicality or irrelevancy, P&A subscribes to “generally accepted appraisal methods and techniques” so that its value conclusions are credible and defensible. P&A submits annual or biannual contract bids to the Appraisal District Board of Directors or the Office of the Chief Appraiser and is bound to produce appraisal estimates on mineral properties within the cost constraints of said bid. Any appraisal practices and procedures followed by P&A not explicitly defined or allowed through IAAO or USPAP requirements are specified by the Texas Property Tax Code or at the specific request or direction of the Office of the Chief Appraiser.

Appraisal Resources

Personnel: The Mineral Valuation Division staff consists of competent Petroleum Engineers, Geologists, and Appraisers. All personnel are Registered Professional Appraisers with the State of Texas, or are progressing towards this designation within the allowable time frames prescribed by the Texas Department of Licensing and Regulation (TDLR) and/or other licensing and regulatory agencies as applicable.

Data: For each mineral property a common set of data characteristics (i.e. historical production, price and expense data) is collected from various sources and entered into P&A's mainframe computer system. Historical production data and price data is available through state agencies (Texas Railroad Commission, Texas Comptroller, et al.) or private firms who gather, format and repackage such data for sale commercially. Each property's characteristic data drives the computer-assisted mass appraisal approach to valuation.

Information Systems: The mainframe systems are augmented by the databases that serve the various in-house and 3rd-party applications on desktop personal computers. In addition, communication and dissemination of appraisals and other information is available to the taxpayer and client through electronic means including internet and other phone-line connectivity. The appraiser supervising any given contract fields many of the public's questions or redirects them to the proper department personnel.

VALUATION APPROACH (MODEL SPECIFICATION)

Concepts of Value: The valuation of oil and gas properties is not an exact science, and exact accuracy is not attainable due to many factors. Nevertheless, standards of reasonable performance do exist, and there are usually reliable means of measuring and applying these standards.

Petroleum properties are subject to depletion, and capital investment must be returned before economic exhaustion of the resource (mineral reserves). The examination of petroleum properties involves understanding the geology of the resource (producing and non-producing), type of reservoir energy, the methods of secondary and enhanced recovery (if applicable), and the surface treatment and marketability of the produced petroleum product(s).

Evaluation of mineral properties is a continuous process; the value as of the lien date merely represents a "snapshot" in time. The potential value of mineral interests derived from sale of minerals to be extracted from the ground change with mineral price fluctuation in the open market, changes in extraction technology, costs of extraction, and other variables such as the value of money.

Approaches to Value for Petroleum Property

Cost Approach: The use of cost data in an appraisal for market value is based upon the economic principle of substitution. The cost approach typically derives value by a model that begins with replacement cost new (RCN) and then applies depreciation in all its forms (physical depreciation, functional and economic obsolescence). This method is difficult to apply to oil and gas properties since lease acquisition and development may bear no relation to present worth. Though very useful in the appraisal of many other types of properties, the cost approach is not readily applicable to mineral properties. [Keep in mind that the property actually being appraised is the mineral interest and not the oil and gas reserves themselves. Trying to apply the cost approach to evaluation of mineral interests is like trying to apply the cost approach to land; it is a moot point because both are real properties that are inherently non-replaceable.] **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., does not employ the cost approach in the appraisal of mineral interests.**

Market Approach: This approach may be defined as one which uses data available from actual transactions recorded in the market place itself; i.e., sales of comparable properties from which a comparison to the subject

property can be made. Ideally, this approach's main advantage involves not only an opinion but an opinion supported by the actual spending of money. Although at first glance this approach seems to more closely incorporate the aspects of fair market value per its classical definition, there are two factors that severely limit the usefulness of the market approach for appraising oil and gas properties. First, oil and gas property sales data is seldom disclosed (in non-disclosure states such as Texas); consequently there is usually a severe lack of market data sufficient for meaningful statistical analysis. Second, all conditions of each sale must be known and carefully investigated to be sure one does have a comparative indicator of value per fair market value prerequisites.

Many times when these properties do change hands, it is generally through company mergers and acquisitions where other assets in addition to oil and gas reserves are involved; this further complicates the analysis whereby a total purchase price must be allocated to the individual components - a speculative and somewhat arbitrary task at best. In the case of oil and gas properties, a scarcity of sales requires that every evidence of market data be investigated and analyzed. Factors relative to the sale of oil and gas properties are:

- current production and estimated declines forecast by the buyer;
- estimated probable and potential reserves;
- general lease and legal information which defines privileges or limitation of the equity sold;
- undeveloped potential such as secondary recovery prospects;
- proximity to other production already operated by the purchaser;
- contingencies and other cash equivalents; and
- other factors such as size of property, gravity of oil, etc.

In the event that all these factors are available for analysis, the consensus effort would be tantamount to performing an income approach to value (or trying to duplicate the buyer's income approach to value), thereby making the market approach somewhat moot in its applicability. **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., rarely employs a rigorous application of the market approach in the appraisal of mineral interests.**

Income Approach: This approach to value most readily yields itself to the appraisal of mineral interests. Data is readily available whereby a model can be created that reasonably estimates a future income stream to the property. This future income may then be converted (discounted) into an estimate of current value. Many refer to this as a capitalization method, because capitalization is the process of converting an income stream into a capital sum (value). As with any method, the final value is no better than the reliability of the input data. The underlying assumption is that people purchase the property for the future income the property will yield. If the land or improvements are of any residual value after the cessation of oil and gas production, that value should also be included (if those components are also being appraised).

The relevant income that should be used is the expected future net income. Assumptions of this method are:

- Past income and expenses are not a consideration, except insofar as they may be a guide to estimating future net income.
- That the producing life as well as the reserves (quantity of the minerals) are estimated for the property.
- Future income is less valuable than current income, and so future net income must be discounted to make it equivalent to the present income. This discount factor reflects the premium of present money over future money, i.e., interest rate, liquidity, investment management, and risk.

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., relies predominantly on the income approach to value in the appraisal of mineral interests.

DATA COLLECTION/VALIDATION

Sources of Data: The main source of P&A's property data is data from the Railroad Commission of Texas as reported by operators. As a monthly activity, the data processing department receives data tapes or electronic files which have updated and new well and production data. Other discovery tools are fieldwork by appraisers, financial data from operators, information from chief appraisers, tax assessors, trade publications and city and local newspapers. Other members of the public often provide P&A information regarding new wells and other useful facts related to property valuation.

Another crucial set of data to obtain is the ownership of these mineral interests. Typically a mineral lease is fractionated and executed with several if not many owners. This information is typically requested (under a promise of confidentiality concerning owners' personal information) from pipeline purchasers and/or other entities (such as operators) who have the responsibility of disbursing the income to the mineral interest owners. Another source of ownership information is through the taxpayers themselves who file deeds of ownership transfer and/or correspond with P&A or the appraisal district directly.

Data Collection Procedures: Electronic and field data collection requires organization, planning and supervision of the appraisal staff. Data collection procedures for mineral properties are generally accomplished globally by the company; i.e., production and price data for the entire state is downloaded at one time into the computer system. Appraisers also individually gather and record specific and particular information to the appraisal file records, which serves as the basis for the valuation of mineral properties. P&A is divided into four district offices covering different geographic areas. Each office has a district manager, appraisal and ownership maintenance staff, and clerical staff as appropriate. While overall standards of performance are established and upheld for the various district offices, quality of data is emphasized as the goal and responsibility of each appraiser.

VALUATION ANALYSIS (MODEL CALIBRATION)

Appropriate revisions and/or enhancements of schedules or discounted cash flow software are annually made and then tested prior to the appraisals being performed. Calibration typically involves performing multiple discounted cash flow tests for leases with varying parameter input to check the correlation and relationship of such indicators as: Dollars of Value Per Barrel of Reserves; Dollars of Value Per Daily Average Barrel Produced; Dollars of Expense Per Daily Average Barrel Produced; Years Payout of Purchase Price (Fair Market Value). In a more classical calibration procedure, the validity of values by P&A's income approach to value is tested against actual market transactions, if and when these transactions and verifiable details of these transactions are disclosed to P&A. Of course these transactions must be analyzed for meeting all requisites of fair market value definition. Any conclusions of this analysis are then compared to industry benchmarks for reasonableness before being incorporated into the calibration procedure.

INDIVIDUAL VALUE REVIEW PROCEDURES

Individual property values are reviewed several times in the appraisal process. P&A's discounted cash flow software dynamically generates various benchmark indicators that the appraiser reviews concurrent with the value being generated. These benchmarks often prompt the appraiser to reevaluate some or all of the parameters of data entry so as to arrive at a value more indicative of industry standards. Examples of indicators are dollars of value per barrel of oil reserve, years payout, etc. In addition to appraiser review, taxpayers are afforded the opportunity to review the appraised values, either before or after Notices of Appraised Value are prepared. Operators routinely meet with P&A's appraisers to review parameters and to provide data not readily available to P&A through public or commercial sources, such as individual lease operating expense and reserve figures. And of

course, all property values are subject to review through normal protest and Appraisal Review Board procedures, with P&A acting as an extension of the Office of the Chief Appraiser.

PERFORMANCE TESTS

An independent test of the appraisal performance of properties appraised by P&A is conducted by the State of Texas Comptroller's Office through the annual Property Value Study for school funding purposes. This study determines the degree of uniformity and the median level of appraisal for mineral properties. School jurisdictions are given an opportunity to appeal any preliminary findings. After the appeal process is resolved, the Comptroller publishes a report of the findings of the study, including in the report the median level of appraisal, the coefficient of dispersion around the median level of appraisal and any other standard statistical measures that the Comptroller considers appropriate.

USPAP STANDARDS 5, 6-1, 6-2: MASS APPRAISAL OF INDUSTRIAL, UTILITY AND RELATED PERSONAL PROPERTY

INTRODUCTION

Definition of Appraisal Responsibility (Scope of Effort): The Engineering Services Department of Pritchard & Abbott, Inc. (P&A) is responsible for developing fair and uniform market values for industrial, utility and personal properties.

P&A's typical client is a governmental entity charged with appraisal responsibility for ad valorem tax purposes, although other types of clients (private businesses, individuals, etc.) occasionally contract for appraisal services which are strictly for various non-ad valorem tax purposes so that no conflicts of interest are created with P&A's core ad valorem tax work.

P&A hereby makes the **assumption** that, in all appraisal assignments performed for governmental entities in satisfaction of contractual obligations related to ad valorem tax, the client does not wish to or cannot legally request the appraisal report not identify the client.

Intended users of our reports are typically the client(s) for which we are under direct contract. Although taxpayers or their agents who own and/or represent the subject property being appraised often receive these reports either by law or as a courtesy of the client or P&A, this receipt does not mean these parties automatically become Intended Users as defined by USPAP. **A party receiving a copy of a report in order to satisfy disclosure requirements does not become an intended user of the appraisal or mass appraisal unless the appraiser specifically identifies such party as an intended user.** Potential other users include parties involved in adjudication of valuation disputes (review board members, lawyers, judges, etc.), governmental agencies which periodically review our appraisals for various statutory purposes (such as the Texas Comptroller's Office) and private parties who may obtain copies of our appraisals through Open Records Requests made to governmental agencies.

This section of P&A's USPAP report is not applicable to any Industrial, Utility, or related Personal Property that an appraisal district appraises outside of P&A's appraisal services, in which case the appraisal district's overall USPAP report should be referenced.

P&A makes the **Extraordinary Assumption** that all properties appraised for ad valorem tax purposes are marketable whereas ownership and title to property are free of encumbrances and other restrictions that would affect fair market value to an extent not obvious to the general marketplace. If and/or when we are made aware of any encumbrances, etc., these would be taken into account in our appraisal in which case the extraordinary assumption stated above would be revoked.

P&A is typically under contract to determine current market value or "fair market value" of said industrial, utility, and related personal property. Fair market value is typically described as the price at which a property would sell for if:

- exposed in the open market with a reasonable time for the seller to find a purchaser;
- both the buyer and seller know of all the uses and purposes to which the property is, or can be, adapted and of the enforceable restrictions on its use; and

- both the buyer and seller seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other. [Exigencies are pressing or urgent conditions that leave one party at a disadvantage to the other.]

For ad valorem tax purposes the effective date is usually legislatively specified by the particular State in which we are working - for example, in Texas the lien date is January 1 per the Texas Property Tax Code. For ad valorem tax purposes, the date of the appraisals and reports are typically several months past the effective date, thereby leaving open the possibility that a retrospective approach is appropriate under limited and prescribed circumstances (information after the effective date being applicable only if it confirms a trend or other appraisal condition that existed and was generally known as of the effective date).

P&A believes this section of this report, in conjunction with any attached or separately provided P&A-generated report(s), meets the USPAP definition of “typical practice”; i.e., it satisfies a level of work that is consistent with:

- the expectations of participants in the market for the same or similar appraisal services; and
- what P&A’s peers’ actions would be in performing the same or similar appraisal services in compliance with USPAP.

Legal and Statutory Requirements: The provisions of the Texas Property Tax Code and relevant legislative measures involving appraisal administration and procedures control the work of P&A as a subcontractor to the Appraisal District. P&A is responsible for appraising property on the basis of its market value as of January 1 for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the contracted Appraisal District. All industrial, utility and personal properties are reappraised annually. The definition of Fair Market Value is provided and promulgated for use in ad valorem tax work in Texas by the Texas Property Tax Code, and therefore as a **Jurisdictional Exception** supercedes the definition of “market value” as found in USPAP definitions.

Administrative Requirements: P&A follows generally accepted and/or recognized appraisal practices and when applicable, the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures. P&A, when applicable, also subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP). In all cases where IAAO and/or USPAP requirements cannot be satisfied for reasons of practicality or irrelevancy, P&A subscribes to “generally accepted appraisal methods and techniques” so that its value conclusions are credible and defensible. P&A submits annual or biannual contract bids to the Office of the Chief Appraiser and is bound to produce appraisal estimates on industrial, utility and personal properties within the cost constraints of said bid. Any appraisal practices and procedures followed by P&A not explicitly defined through IAAO or USPAP requirements are specified by the Texas Property Tax Code and/or at the specific request or direction of the Office of the Chief Appraiser.

Appraisal Resources

Personnel: The Engineering Services Department and P&A’s appraisal staff consists of appraisers with degrees in engineering, business and accounting. All personnel are Registered Professional Appraisers with the State of Texas, or are progressing towards this designation as prescribed by the Texas Department of Licensing and Regulation (TDLR).

Data: A set of data characteristics (i.e. original cost, year of acquisition, quantities, capacities, net operating income, property description, etc.) for each industrial, utility and personal property is collected from various

sources. This data is maintained in either hard copy or computer files. Each property's characteristic data drives the appropriate computer-assisted appraisal approach to valuation.

Information Systems: P&A's mainframe computer system is composed of in-house custom software augmented by schedules and databases that reside as various applications on personal computers (PC). P&A offers a variety of systems for providing property owners and public entities with information services.

VALUATION APPROACH (MODEL SPECIFICATION)

Concepts of Value: The valuation of industrial, utility and personal properties is not an exact science, and exact accuracy is not attainable due to many factors. These are considered complex properties and some are considered Special Purpose properties. Nevertheless, standards of reasonable performance do exist, and there are reliable means of measuring and applying these standards.

The evaluation and appraisal of industrial, utility and personal property relies heavily on the discovery of the property followed by the application of recognized appraisal techniques. The property is subject to inflation and depreciation in all forms. The appraisal of industrial and personal property involves understanding petroleum, chemical, steel, electrical power, lumber and paper industry processes along with a myriad of other industrial processes. Economic potential for this property usually follows either the specific industry or the general business economy. The appraisal of utility properties involves understanding telecommunications, electrical transmission and distribution, petroleum pipelines and the railroad industry. Utility properties are subject to regulation and economic obsolescence. The examination of utility property involves the understanding of the present value of future income in a regulated environment.

The goal for valuation of industrial, utility and personal properties is to appraise all taxable property at "fair market value". The Texas Property Tax Code defines Fair Market value as the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

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

Approaches to Value for Industrial, Utility, and Personal Property

Cost Approach: The use of cost data in an appraisal for market value is based upon the economic principle of substitution. This method is most readily applicable to the appraisal of industrial and personal property and some utility property. Under this method, the market value of property equals the value of the land plus the current cost of improvements less accrued depreciation. An inventory of the plant improvements and machinery and equipment is maintained by personally inspecting each facility every year. **As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., relies predominantly on the cost approach to value in the appraisal of industrial, utility, and personal property.**

Market Approach: This approach is characterized as one that uses sales data available from actual transactions in the market place. There are two factors that severely limit the usefulness of the market approach for appraising industrial, utility and personal properties. First, the property sales data is seldom disclosed; consequently there

is insufficient market data for these properties available for meaningful statistical analysis. Second, all conditions of sale must be known and carefully investigated to be sure one does have a comparative indicator of value. Many times when these properties do change hands, it is generally through company mergers and acquisitions where other assets and intangibles in addition to the industrial, utility and personal property are involved. The complexity of these sales presents unique challenges and hindrances to the process of allocation of value to the individual components of the transaction.

In the case of industrial, utility and personal properties, a scarcity of sales requires that all evidence of market data be investigated and analyzed. Factors relative to the sale of these properties are:

- plant capacity and current production; terms of sale, cash or equivalent;
- complexity of property;
- age of property;
- proximity to other industry already operated by the purchaser; and
- other factors such as capital investment in the property.

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., rarely employs a rigorous application of the market approach in the appraisal of industrial, utility, and personal property.

Income Approach: This approach to value most readily yields itself to all income generating assets, especially utility properties. Data for utility properties is available from annual reports submitted to regulatory agencies whereby future income may be estimated, and then this future income may be converted into an estimate of value. The valuation of an entire company by this method is sometimes referred to as a Unit Value. Many refer to this as a capitalization method, because capitalization is the process of converting an income stream into a capital sum (value). As with any method, the final value estimate is no better than the reliability of the input data. The underlying assumption is that people purchase the property for the future income the property will yield.

The relevant income that should be used in the valuation model is the expected future net operating income after depreciation but before interest expense (adjustments for Federal Income Taxes may or may not be required). Assumptions of this method are:

- Past income and expenses are a consideration, insofar as they may be a guide to future income, subject to regulation and competition.
- The economic life of the property can be estimated.
- The future production, revenues and expenses can be accurately forecasted. Future income is less valuable than current income, and so future net income must be discounted to make it equivalent to the present income. This discount factor reflects the premium of present money over future money, i.e., interest rate, liquidity, investment management, and risk.

As a general rule, and for the reasons stated above, Pritchard & Abbott, Inc., employs the income approach in the appraisal of industrial and utility property only when quantifiable levels of income are able to be reliably determined and/or projected for the subject property. P&A does not employ the income approach in the appraisal of personal property.

DATA COLLECTION/VALIDATION

Sources of Data : The main source of P&A's property data for industrial and personal property is through fieldwork by the appraisers and commercially/publicly available schedules developed on current costs. Data for

performing utility appraisals is typically provided by the taxpayer or is otherwise available at various regulatory agencies (Texas Railroad Commission, Public Utilities Commission, FERC, et. al.). Other discovery tools are financial data from annual reports, information from chief appraisers, renditions, tax assessors, trade publications and city and local newspapers. Other members of the public often provide P&A information regarding new industry and other useful facts related to property valuation.

Data Collection Procedures: Electronic and field data collection requires organization, planning and supervision of the appraisal staff. Data collection procedures have been established for industrial and personal properties. Appraisers gather and record information in the mainframe system, where customized programs serve as the basis for the valuation of industrial, utility and personal properties. P&A is divided into multiple district offices covering different geographic zones. Each office has a district manager and field staff. While overall standards of performance are established and upheld for the various district offices, quality of data is emphasized as the goal and responsibility of each appraiser. Additionally, P&A's Engineering Services Department provides supervision and guidance to all district offices to assist in maintaining uniform and consistent appraisal practices throughout the company.

VALUATION ANALYSIS (MODEL CALIBRATION)

The validity of the values by P&A's income and cost approaches to value is tested against actual market transactions, if and when these transactions and verifiable details of the transactions are disclosed to P&A. These transactions are checked for meeting all requisites of fair market value definition. Any conclusions from this analysis are also compared to industry benchmarks before being incorporated in the calibration procedure. Appropriate revisions of cost schedules and appraisal software are annually made and then tested for reasonableness prior to the appraisals being performed.

INDIVIDUAL VALUE REVIEW PROCEDURES

Individual property values are reviewed several times in the appraisal process. P&A's industrial, utility, personal property programs and appraisal spreadsheets afford the appraiser the opportunity to review the value being generated. Often the appraiser is prompted to reevaluate some or all of the parameters of data entry so as to arrive at a value more indicative of industry standards. Examples of indicators are original cost, replacement cost, service life, age, net operating income, capitalization rate, etc. In addition to appraiser review, taxpayers are afforded the opportunity to review the appraised values either before or after Notices of Appraised Value are prepared. Taxpayers, agents and representatives routinely meet with P&A's appraisers to review parameters and to provide data not readily available to P&A through public or commercial sources, such as investment costs and capitalization rate studies. And of course, all property values are subject to review through normal protest and Appraisal Review Board procedures, with P&A acting as a representative of the Office of the Chief Appraiser.

PERFORMANCE TESTS

An independent test of the appraisal performance of properties appraised by P&A is conducted by the State of Texas Comptroller's Office through the annual Property Value Study for school funding purposes. This study determines the degree of uniformity and the median level of appraisal for utility properties. School jurisdictions are given an opportunity to appeal any preliminary findings. After the appeal process is resolved, the Comptroller publishes a report of the findings of the study, including in the report the median level of appraisal, the coefficient of dispersion around the median level of appraisal and any other standard statistical measures that the Comptroller considers appropriate.

EXHIBIT "E"

STATE OF TEXAS
COUNTY OF YOUNG

RESOLUTION NO 2024-004
YOUNG CENTRAL APPRAISAL DISTRICT

WHEREAS, pursuant to Sec. 6.05 (i) & 25.18 of the Texas Property Tax Code, the district has prepared with the intent to be published, this reappraisal plan to provide our Board of Directors, taxing jurisdictions, property owners, and the public in general, with a better understanding of the district's goals, responsibilities and activities. This plan consists of many facets, and varying degrees of complexity regarding the general appraisal process, but consists of a general introduction, and the scope of work planned by the appraisal district under the guidelines as described therein for the 2025-2026 tax years.

WHEREAS, the members of the Board of Directors for the Young Central Appraisal District, upon the advice and counsel of the Chief Appraiser, believe that all provisions of the Texas Property Tax Code are duly covered, in addition to providing the appropriate information to outline the Reappraisal Plan and district's goals for the tax years 2025-2026.

NOW, THEREFORE, BE IT RESOLVED BY THE YOUNG CENTRAL APPRAISAL DISTRICT THAT:

The foregoing resolution was moved and seconded and adopted by a majority vote at the meeting of the Young Central Appraisal District Board of Directors on September 11, 2024.



ZT Burkett, Chairman



Mike Sipes, Secretary

Ben Wilson