

OLDHAM COUNTY APPRAISAL DISTRICT
REAPPRAISAL PLAN
TAX YEARS 2015 AND 2016
AS ADOPTED BY THE BOARD OF DIRECTORS

SEPTEMBER 10, 2014

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EXECUTIVE SUMMARY

TAX CODE REQUIREMENTS

Passage of Senate Bill 1652, 79th regular session, amended Section 6.05 of the Texas Property Tax code by adding subsection (I) to read as follows:

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

PLAN FOR PERIODIC REAPPRAISAL

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

- (a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(I)
- (b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years.
 - (1) Identify properties to be appraised through physical inspection or by other reliable means of identification, including photographs, surveys, maps and property sketches;
 - (2) Identify 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; legal and economic attributes; and
 - (C) Easements, covenants, leases, reservations contracts,
 - (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.

A WRITTEN APPRAISAL PLAN FOR OLDHAM COUNTY APPRAISAL DISTRICT

PLANNING A REAPPRAISAL

Variation in reappraisal requirements requires Oldham County Appraisal District to carefully plan its work before beginning any reappraisal. Although the planning process may vary in specifics, it should involve four (4) basic steps:

1. Assess current performances
2. Set reappraisal goals
3. Assess available resources and determine needs
4. Re-evaluate goals and adjust as necessary

STEPS IN A REAPPRAISAL

The International Association of Assessing Offices (IAAO) textbook Property Appraisal and Assessment Administration, lists ten steps in a reappraisal. These steps outline those activities performed by Oldham CAD for the completion of periodic reappraisals.

Activities are listed below in the order in which they occur:

1. Performance Analysis:
 - * ratio study
 - * equity of existing values
 - * consistency of values with market activity
2. Revaluation Decision:
 - * statutory – at least once every three years
 - * administrative policy
3. Analysis of Available Resources:
 - * staffing
 - * budget
 - * existing practices
 - * information system support
 - * existing data and maps
4. Planning and Organization:
 - * target completing dates
 - * identify performance objectives
 - * specific action plans and schedules
 - * identify critical activities with completion dates
 - * set production standards for field activities
5. Mass Appraisal System:
 - * forms and procedures revised as necessary
 - * CAMA (computer assisted mass appraisal) system revisions as required

6. Conduct Pilot Study:
 - * test new/revised appraisal methods as applicable
 - * conduct ratio studies
 - * determine if values are accurate and reliable
7. Data Collection:
 - * building permits and other sources of new construction
 - * check properties that have undergone remodeling
 - * re-inspection of problematic properties
 - * re-inspection of universe properties on a cyclic basis
8. Valuation:
 - * market analysis (based on ratio studies)
 - * schedules development
 - * application of revised schedules
 - * calculations of preliminary values
 - * tests of values of accuracy and uniformity
9. The Mass Appraisal Report:
 - * establish scope of work
 - * compliance with Standards Rule 6-7 of USPAP(Uniform Standards Of Professional Appraisal Practices)
 - * signed certification by the Chief Appraiser as required by Standards Rule 6-8 USPAP (Report after Reappraisal)
10. Value Defense:
 - * prepare and deliver notices of value to property owners
 - * hold informal hearings
 - * schedule and hold formal appeal hearings

PERFORMANCE ANALYSIS

Ratio studies are used to analyze appraisal accuracy and uniformity overall and by market area within property reporting categories. They are used to determine where appraisals meet acceptable standards and where it does not. This is where we check the equality of existing values and the consistency of values with market activity. By calculating the mean, median, and weighted ratios. In each reappraisal year of this plan, that will be the starting point for establishing the level and accuracy of appraisal performance.

REVALUATION DECISION (REAPPRAISAL CYCLE)

The statutory requirement for a reappraisal is once every three years. 2007 was a complete reappraisal year where each property and schedules were changed. In 2008 keep up and basic changes were made. In 2009 all properties were inspected and photos were taken to be attached to the appraisal cards. In 2010 all properties in the City of Vega, City of Adrian, Wildorado Town site and some rural property that surrounds these areas were checked and cards updated along with the keep up. In 2011 all remaining properties were inspected consisting of mostly rural properties. 2012 the inspection of City of Vega, City of Adrian and Wildorado town site and some rural surrounding properties along with keep up were inspected. In 2013 rural properties were inspected using the county and school district maps and prior keep up and appraisal card information for reference. In 2014 the City of Vega, City of Adrian and Wildorado Town site were inspected. In 2015 the rural properties will be inspected and in 2016 the cities and townsite will be inspected. The appraisal district's reappraisal plan is to be on a two year cycle. There may be circumstance such as bad weather and lack of personnel which may cause a three year cycle but this is not anticipated. The plan is to rotate urban and rural every other year. The district considers each year a reappraisal year. Keep up is where the district will pick up new construction, adjust for changes, appraise problematic areas and adjust previous year's value for equalization each year. The district makes use of the Appraisal district maps to draw the routes to travel to look at the properties.

ANALYSIS OF AVAILABLE RESOURCES

Staffing and budget requirements for this reappraisal plan will be met by the Board of Directors each year. Existing appraisal practices, which are contained from year to year, are identified and methods utilized to keep these practices current. The information systems are kept current with schedule upgrades and the mapping system is continually updated with property splits and ownership data. Marshall and Swift is used to update schedules along with sales & ratio study information.

PLANNING AND ORGANIZATION

All target dates for this plan will be, to complete each area of work by May 1st. Staff and contracted personnel will begin January 1st of each year. Real, business personal property, personal auto and utility parcel are divided between appraisal district staff and contractors. Ratio studies, schedules and Agriculture Market values will be worked by the Chief Appraiser and Deputy Chief Appraiser. All renditions will be worked and entered in the computer as they arrive in our office once schedules including depreciation schedules are completed. Data and quality checks will be continuous throughout the process.

MASS APPRAISAL SYSTEM

All renditions, homesteads, and special appraisal forms are updated to meet State requirements. All properties that have been coded on the computer to receive a form and all requests for forms are mailed in mid-January. All schedules that are programmed in the computer are reviewed with the sales ratio studies for any revisions that need to be made.

MARKET AREAS

Oldham County is diverse in many ways from the type of soil, the terrain, and the availability of services. The County at one point was considered one market area. We are seeing that change more each year. The County now has three Market Areas. These are basically defined by three of the school districts.

1. The Vega ISD Market Area contains the City of Vega and Vega ISD Rural Properties. The City of Vega is at intersection of I-40 and US 385 highways. The County Courthouse is located in Vega. Vega is located approximately 35 miles from both Amarillo and Hereford. Boys Ranch is in Oldham County and many people commute to all three of these places to work and live in this market area. The largest school in the County is located in Vega with preK-12 grades. Vega ISD has desirable academic and athletic programs. This has caused people to move to this area to be able to send their children to school here. There is a good water and sewer system in Vega. This market area is seeing more sales and new construction than the other areas. There are 3 motels available for lodging, a grocery store, convince store, truck stop, 5 eating and/or dining establishments, a flower shop, coffee shop, hardware store, television cable is available, funeral viewing parlor and north of town a feedlot. There are also 5 churches located here. Two Wind Farms have added to the economy.
2. Wildorado ISD Market Area contains the town site of Wildorado, a small unincorporated area with lots and blocks and no zoning. The town site is split by I-40 highway. There is a water supply that services the town site and some of the surrounding rural area. No sewer service septic tanks are necessary for new construction. This area is a 15 to 20 mile commute to Amarillo. There are not many tracts available for construction sites. Wind turbines have brought the only new industry in years. There is a large feedlot in the eastern border of the school district. 1 small motel.
3. Adrian ISD & Channing ISD Market Area contains the City of Adrian in the western part of Oldham County. This market area is more remote and areas with no industry, decreasing population, no new construction with a decreasing population. There is a small school K-12, one convenience store, one Stuckey's close to NM line has closed, one seasonal cafe closed in the winter when not much route 66 traffic, no lodging available. A large part of rural acreage is grass and is large ranches. On January 1, 2014 a new wind farm was partially completed and should be on line before the end of year 2014. A mobile home park is in the process of being built in 2014.

PILOT STUDY

New and or revised mass appraisal schedules are tested each year. Ratio studies are used to see if the revisions are accurate and reliable in the different market areas. Overlapping properties are reviewed to be accurate and reliable in the different market areas. Overlapping properties are reviewed to match property accounts and property owners.

DATA COLLECTION and VALIDATION

Office and field procedures are reviewed and revised as required for data collection. Sales price certification letters are entered as they are received from buyers and used to check schedules. Building permits are used for any new construction and remodeling that has taken place. Re-inspections of problematic properties which for this plan are the fast growing residential areas to make sure all improvements are documented and schedules are up to par with the market.

Two basic types of data are collected: data which is specific to each property and data which is indicative of a particular class of property that has been predefined by Oldham CAD.

Property-specific data is collected as part of the inspection process and through submission by the property-owner.

As part of the inspection process, the improvements are measured and classified. The appraiser also estimates the effective age and condition of the improvements. Any additional or unusual features are also noted at the time of the inspection. Data on individual properties is maintained on the appraisal card for that property. Data on individual properties is verified through previously existing records, published reports, building permits, analysis of comparable properties, and through submission by the property owner. Appraisal cards are available for review at the appraisal district office.

Data pertaining to a class of properties is grouped together according to the differing quality levels and then used to develop valuations models for each property class.

VALUATION

Production of values begins with market analysis, schedule development and the calculation of preliminary values. A ratio study then evaluates the accuracy and consistency of the values between property type and areas. When the schedules produce acceptable results, they can be used to produce values. This includes the importing and exporting of values for overlapping properties in our district. Oldham CAD considers market characteristics such as size, age and condition in appraising properties. Conclusions are reflected in the model to characteristics of the property being appraised.

MASS APPRAISAL REPORT

Mass appraisal is the systematic appraisal of groups of properties as of a given date using standardized procedures and statistical testing. The purpose of mass appraisal is the equitable and efficient appraisal of all property in a jurisdiction for ad valorem tax purposes. Mass appraisal judgments relate to groups of properties rather than single properties. The required Mass Appraisal Report is prepared and certified by the Chief Appraiser at the conclusion of the appraisal phase of the ad valorem tax calendar. A written report is completed in compliance with STANDARD RULE 6-8 of the Uniform Standards of Professional Appraisal Practice. The signed certificate by the Chief Appraiser is compliant with STANDARD RULE 6-8 of USPAP. This written reappraisal plan is attached to the report by reference (certifying check list).

VALUE DEFENSE

Appraisal Notice of Value are prepared and delivered to property owners as prescribed by law. Oldham CAD sends notices to each taxpayer each year. Evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal and formal appraisal review hearings is specified and tested. When the appeals process is completed, values are certified to each taxing unit and tax billing can begin.

PROJECT WORK PLAN

OLDHAM COUNTY APPRAISAL DISTRICT

The Oldham CAD appraises for 7 taxing units in 1501 square miles. The total parcels average 5,231. The Oldham CAD contracts with each of the taxing units to collect their taxes. There are 2 full time employees. The Chief Appraiser has RPA (Registered Professional Appraiser) State certification and RTA (Registered Texas Assessor/Collector) State certification and also has the CCA (Certified Chief Appraiser designation). The deputy has been an employee for seven years and has her RTA (Registered Texas Assessor/Collector) State certification and has begun work on her RPA. There is also 1 part time employee who have been employed by the district for a number of years who does bookkeeping and other office duties. This office follows the Property Tax Calendar as published by the Texas Comptroller of Public Accounts.

2015 REAPPRAISAL SCHEDULE

December 2014	Begin planning for 2015 inspections. Run current sales information from Sales confirmation letters, deed records and other sources Begin Preparing maps to show routes to be taken in rural areas. As weather and staffing permits start inspections beginning in Wildorado ISD. Prepare Renditions
January 2015	Mail Renditions January 2 nd if not mailed last day of December. Continue with inspections in WISD moving westward. Mail any Homestead applications, Special- Use valuations, sales letters not already sent. ARB Organizational Meeting is usually held in January.
January to March	Complete field inspections as provided by the Reappraisal Plan area. Run sales ratio reports. Compare with CAD Values and sales information. Identify necessary schedule adjustments.
March through April	Continue running sales ratio reports. Refine sales analysis and mass appraisal schedules. Statistically test schedule. Complete data entry of all reappraisal and maintenance changes. Finalize all field work and data collection activities, execute mass appraisal/maintenance activities as required. Prepare for mailing 2015 Notices of Value. Attend ARB Seminar.
May	Mail Notice of Appraised value for each account in Oldham County.
June and July	ARB Meets during these months. Process and mail ARB orders. Enter into computer all changes as ordered by ARB and notify other CAD's if the ordered change falls into an over-lapping area. ARB Approval of Records by July 20 th . Certification of appraisal records and values to taxing units by July 25 th .
As needed throughout The year	Handle any outstanding protests & Supplements by sending additional & scheduling ARB hearings.

2016 REAPPRAISAL SCHEDULE

The same timetable and duties apply in each year. The appraiser shall physically inspect all city and Town site properties and any rural properties not inspected in 2015. The chief appraiser and CAD staff will continue to complete the same duties and reappraisal steps as outlined for 2015.

REAL PROPERTY

Field inspections are carried out by the staff and contractors. Beginning with rural properties, and then city properties, each is inspected for any physical, functional or economic factors which might have changed. In 2014 all city and town site properties and some rural properties were inspected. The remainder of the rural properties will be inspected in 2015 and city properties will then be inspected again in 2016. Agriculture land is inspected for changes in use. Photographs are taken and we are able to link them with the property accounts on the computer and they become a part of the property file. New improvements are measured at this time, and building permits are checked for completion. Throughout the year copies of deed records are appropriately maintained and filed for future reference. There are approximately 3502 real estate properties in Oldham County Appraisal District. These accounts do not include the accounts in Randall and Deaf Smith Counties which are a part of our collection budgets.

PERSONAL PROPERTY

Appraisal District staff and contractors hired by the district receive information in the form of renditions and government reports that must be recorded, such as for utility and pipeline companies. The Comptroller personal property guide along with Marshall and Swift are used to insure accurate values. Oldham CAD, with outside assistance, is responsible for discovering and valuing personal and business vehicles. There are 280 business personal property accounts, 428 personal vehicle & mobile home accounts, 1 special Inventory accounts and 165 exempt accounts. There are also 855 Mineral and Industrial accounts done by a contracted appraisal firm.

Dale Gunkelkey
Chairman

9/10/14
Date

Ray J. M.
Secretary

Brenda Perkins
Chief Appraiser