

CASS COUNTY APPRAISAL DISTRICT

Reappraisal Plan

Appraisal Years 2025 & 2026

Presented to the Cass County Appraisal District Board of Directors with Public Hearing held September 4, 2024.

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Code of Ethics

It is the strict policy of this Appraisal District to adhere to the following Code of Ethics:

- (1) I will be guided by the principal that property taxation should be fair and uniform, and apply all laws, rules, methods, and procedures, in a uniform manner, to all taxpayers;
- (2) I will not accept anything of value from any party other than my employer as an appraiser, assessor, or collector;
- (3) I will not use information received in connection with the duties of an appraiser, assessor, or collector for my own purposes, unless such information can be known by ordinary means to any ordinary citizen;
- (4) I will not engage in an official act that is dishonest, misleading, fraudulent, deceptive, or in violation of law;
- (5) I will not conduct my professional duties in a manner that could reasonably be expected to create the appearance of impropriety;
- (6) I will not accept an appraisal, assessment, or collection related assignment that can reasonably be construed as being in conflict with my responsibility to my jurisdiction, employer, or client, or in which I have an unrevealed personal interest or bias; and
- (7) I will not accept an assignment or responsibility in which I have a personal interest without full disclosure of that interest.

Executive Summary

Cass County Appraisal District is a political subdivision of the State of Texas established January 1, 1980. This reappraisal plan and report required by S.B. 1652 is generated to provide the citizens of Cass County a better understanding of the district's procedures, responsibilities, activities, results and effects of those activities. The ultimate goal is to obtain an effective and positive result when analyzed by the Property Tax Division of the Texas Comptroller's Office with the annual Property Value Ratio Study Report. This report establishes the position of equity and uniformity for the appraisal districts in the tested property categories.

Cass County Appraisal District is governed by a Board of Directors appointed by the taxing entities. The Board of Directors hires the chief appraiser as administrator of the appraisal district. The Property Tax Code is the governor of the legal, statutory, and administrative requirements of the appraisal district. The Comptroller implements rules which are requirements directing the operations of the appraisal district.

The appraisal district is required to appraise all property in its district boundaries for the purpose of local property taxation at market value as of January 1st except as otherwise provided by Sec. 23 of the tax code. Various types of property exemptions are determined by the appraisal district office such as homestead exemptions, charitable or religious exemptions, partial and absolute exemptions, and agricultural productivity valuation.

Appraisals are generated with computer assisted mass appraisal programs using recognized appraisal techniques and methods. We compare our data to data gathered from recent cost guides and market sales data. The district follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable.

The purpose and requirement for the written reappraisal plan and periodic reappraisal resulted from the passage of S.B. 1652 which amended the Tax Code as follows:

The Written Plan

According to Section 6.05 of the Tax Code subsection (i):

'To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the tenth 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.'

The Plan for Periodic Reappraisal

Section 25.18 of the Tax Code (a) and (b) implements the following:

- (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 area in the district;
 - (4) Identifying property characteristics that affect property value in each market area
 - a. The location and market area of the property;
 - b. Physical attributes of the 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.

The Cass County Appraisal District makes a determination as to the timing of all re-evaluation on an annual basis. This determination will dictate the reappraisal of all property located in the

appraisal district or determine reappraisal of certain areas or categories of property located within the appraisal district such as subdivision, geographical areas, rural areas, commercial areas, residential, vacant lots, etc. Geographic divisions of the county ensure the CAD re-inspects and re-evaluates properties as required by the Property Tax Code on the three-year cycle as described in this plan. The endorsement of the appraiser validates the action taken on each property appraisal or reappraisal. If a property does not change in value this action does not invalidate an action of reappraisal if the value is endorsed by the appraiser. Any property that has not been reappraised in the above described scenario will fall into the category of annual determination of re-evaluation by geographic area.

The reappraisal plan for Cass County Appraisal District is:

1. Incorporate the application of proven and professional acceptable techniques and procedures;
2. Provide for the compilation of complete and accurate data and the processing of that data into an indication of value approximating the prices actually being paid in the market place;
3. Provide the necessary standardization measures and quality controls essential to promoting and maintaining uniformity throughout the jurisdiction;
4. Provide the appropriate production controls necessary to execute each phase of the operation in accordance with a carefully planned budget and work schedule, and
5. Provide techniques especially designed to streamline each phase of the operation, eliminating functions, and reducing the complexities inherent in the appraisal process to more simplified but equally effective procedures.

PERFORMANCE ANALYSIS

As procedure has dictated and has occurred in years past, 2025 and 2026 appraisal years will be analyzed with ratio studies from the previous years' values along with the Comptroller's Property Value Study report to determine appraisal accuracy and appraisal uniformity overall with the use of additional market data gathered within and representing each of the State property reporting categories.

In conjunction with the ratio study and the property value study the mean, median, and weighted mean ratios are calculated for properties in each reporting category to measure the level of appraisal accuracy. The mean ratio is calculated in each market area to indicate the level of appraisal accuracy by property reporting category. In 2025 and 2026 this analysis will be used to develop the starting point for establishing the level of accuracy on the appraisal performance. The testing result will be an indicator of which properties will need to be addressed with a change and which properties will not need a change. This result can indicate an increase or decrease in value.

All ratio calculations are in compliance with the Standard on Ratio Studies from the International Association of Assessing Officers.

ANALYSIS OF AVAILABLE RESOURCES

1. Data, maps, information systems support, existing practices budget, and employee staffing are all major components required to assist in accomplishing final results necessary to ensure the appraisal district is conforming with IAAO and USPAP standards and practices when appraising all categories of property.

The ultimate goal is to have the proper employees in key positions with the experience, knowledge, and certifications required performing required duties. The office of the Chief Appraiser is responsible for the planning, organizing, staffing, and coordinating the district operations. Also, to direct and control the business support functions related to human resources, budget, finance, records management, purchasing, and the retention of fixed assets and facilities. The appraisal department or appraisers are responsible for the valuation of all real and personal property. These categories of property include commercial, residential, business personal, mineral, utilities, and industrial. The district's appraisers are subject to the certification requirements adopted by the Texas Department of Licensing and Regulation which is subject to the provisions of the Property Taxation Professional Certification Act. Support functions include records maintenance, information coordination, formal and informal property protest hearings, and many other citizen contacts.

The appraisal district's staff consists of 12 full-time employees with the following classifications:

Chief Appraiser (executive level administration)- 1

Appraisers - 5

Administrative support- 6

All appraisal district employees that perform appraisal work are subject to the provisions of the Property Taxation Professional Certification Act and must be duly registered with the Texas Department of Licensing and Regulation (TDLR). This board is responsible for ensuring appraisers are professional, knowledgeable, competent, and ethical. This is accomplished through a statewide program of registration, education, experience, testing, and certification for all property tax professionals for the purpose of promoting an equitable tax system.

Appraisers registered with the TDLR have up to five years to take a series of appraisal courses and exams in order to achieve certification as a Registered Professional Appraiser (RPA). All certified appraisers with an RPA designation are required to obtain additional training of a minimum of 30 hours of continuing education units which must be completed before the expiration of the license in order to continue working as a certified appraiser. An employee's failure to meet the minimum standards will result in the removal of the employee from an appraiser position and possibly termination from the appraisal district.

Additionally, all appraisal personnel receive extensive training in the data gathering and valuation processes. Standardized manuals are provided to ensure uniform and accurate data collection. Senior personnel provide on-the-job data collection training in the office and in the reappraisal field area. The chief appraiser meets regularly with staff to introduce new procedures and monitor appraisal activity to ensure that all personnel are following standardized appraisal methods and techniques.

The utilization of all staff members with their normal allocated assignments will be under continuous observation and adjustments made to duties as deemed necessary and appropriate to complete the re-appraisal cycle. Staffing will impact the cycle of real property inspection and personal property on-site review that can be accomplished in the 2025-2026 time period. The appraiser's longevity of employment with the Appraisal District can be a positive or negative effect on accomplishing the goals of reappraisal. Appraisers' familiarity with the county is a must to accomplish this large demanding task.

The Cass County Appraisal District is responsible for establishing and maintaining approximately 41,654 property accounts. The data that comprises the 41,654 property accounts include property characteristics, ownership, and absolute or partial exemption information.

A mapping system maintains parcel maps, various layers of data, and aerial photography. The district's website allows a broad range of information available for public access, including information on individual appraisals, property characteristics, certified values, exemption applications, and forms. Aerial photography is especially helpful in determining the productive use of agricultural and timber lands. Aerial photography is updated approximately every two years to keep the district updated on changes in land composition.

Information systems enable the district to maintain and continuously add additional data concerning the 41,654 accounts in the district. The server database is a Dell Power Edge R640 and includes software support from the software group Harris Govern True Automation. The user base is networked to the mainframe using Windows 2011 applications. Harris Govern True Automation programmers are updated on all applicable law changes and are continuously updating the software requirements that operate our reporting process.

Annual budget requirements are presented to the entities by June 15th of each appraisal year requesting the budget needs for the following calendar year. The 2025 proposed budget was presented to the entities on June 12, 2024 and the 2026 proposed budget will be presented on or before June 15, 2025. The 2025 budget was adopted and presented to the entities on September 4, 2024. The adopted 2026 budget will be presented to the entities on or before September 15, 2025.

As with any written plan established for any reason, restraints can hinder the targeted goals. Examples of such restraints are budgetary, staffing, technical issues, and natural disasters. However, every effort will be exercised to complete the reappraisal cycles as intended in this document with a positive result accomplished and measured through the Property Value Study and MAPS review by the Comptroller's Office. The Board of Directors reserves for the appraisal district the right to amend this plan at any time deemed necessary and take appropriate measures to adjust procedures or plans to accomplish the goal.

REAPPRAISAL DECISION

The Cass County Appraisal District reappraises one-third of all property in the district each year. A breakdown of the areas to be re-appraised is made using geographic boundaries. In the geographical area accounts are totaled within each area. Areas are divided so there are approximately one-third of the accounts appraised each year. Only certain areas are appraised in a given year unless market indicators reflect the need to include all properties within the appraisal district boundaries. In any given appraisal year, the chief appraiser reserves the right to modify schedules of reappraisal. If in-house ratio studies, natural disasters, or other information deem reappraisal necessary for the district as a whole, part of the district not within the areas described, or the time frame allotted to that area schedule may be modified; while still ensuring adherence to the overall three-year cycle.

Appraiser	Area of Reappraisal	Reappraisal Year
Appraiser 1	Queen City Rural	2025
Appraiser 1	Bloomburg Rural & McLeod	2026
Appraiser 2	Atlanta ISD Rural South (South side of 59 around to South side of HWY 251E)	2025
Appraiser 2	Atlanta ISD Rural North (North side of 59 to Douglassville and back Around to North Atlanta city limits)	2026
Appraiser 3	LKCISD Rural E (East side of HWY 8 around to N side of 125E)	2025
Appraiser 3	LKCISD Rural W (South side of 125E around to West side of HWY 8)	2026
Appraiser 4	Hughes Springs Rural	2025
Appraiser 4	Avinger Rural, Pewitt CISD	2026
WESTERN APPRAISAL	All Category F Properties, all Hotels, Motels & Multi-Family Properties, All L1 Properties	2025
WESTERN APPRAISAL	All New/Altered Category F Properties, all Hotels, Motels & Multi-Family Properties, All L1 Properties, & all Category F Properties in Atlanta ISD	2026
CAPITOL APPRAISAL	All industrial real & personal, mineral, utility properties in Cass County	2025
CAPITOL	All industrial real & personal, mineral, utility properties in Cass County	2026

See maps in APPENDIX

A re-appraisal year for an area is a complete appraisal of all properties within the boundaries identified for the area. During the re-appraisal year staff will discover new construction and remodeling, re-inspect properties on the appraisal roll, identify and record changes in property characteristics that affect value, and adjust values accordingly. Appraisal district staff will monitor sales and building classifications (i.e., land, improvements) to reflect current market

conditions in this area. Review of foreclosure sales within neighborhoods or areas of economically depressed regions will be identified and appropriate weight given to determine the market value of those related properties.

If the analysis of collected sales data indicates a market adjustment needs to be made in all areas of the county, all three years' property will be considered as a complete reappraisal year and all properties will be addressed accordingly. This reappraisal results in a mass production of recalculations by adjusting schedules and/or depreciation used in the prior years. This adjustment will affect all properties.

PLANNING AND ORGANIZATION

A calendar of events with critical completion dates is prepared for each major work area. The major work areas are defined and identified below. Following the list is a calendar for beginning and processing all key events for appraisal, clerical, and information systems. The following list is not intended to place limitations on the activities involved in a reappraisal. This list is intended to be a guide and reference point for the process. Any activity or process identified as needing attention will become inclusive in the process and be completed within each year cycle.

TAX YEAR 2025:

- Review sales analysis with current information with ratio reports
- Identify properties to be reappraised as identified in table for 2025 year
- Discover new property in the entire county
- Identify properties in areas not to be reappraised that need rechecking from prior year
- Identify and inspect problematic market areas
- Route properties for physical inspections and complete inspections
- Identify properties that no longer exist in the district and adjust roll
- Identify and update property characteristics
- Check models and develop new models if necessary
- Change ownership using legal documents
- Review properties to remove homestead, agricultural, and timber applications
- Mass mail homestead applications to new owners
- Mass mail agricultural and timber application to new owners
- Mass mail rendition applications
- Update homesteads on an every 5-year rotation plan
- Map properties from deed changes, check boundaries with deed if mapped
- Review legal instruments for easements, covenants, leases, restrictions, contracts, declarations, special assessments, ordinances, or legal restrictions
- Mail buyer/seller sales surveys
- Mail income expense surveys
- Calculate values
- Prepare, plan, and submit budget for 2026
- Prepare, plan, and hold agricultural advisory meetings
- Mass mail appraisal notices for all real property.
- Prepare, plan, and hold informal and formal hearings
- Certify the appraisal roll

TAX YEAR 2026

- Review sales analysis with current information with ratio reports
- Identify properties to be reappraised as identified in table for 2026 year
- Discover new property in the entire county

Identify properties in areas not to be reappraised that need rechecking from prior year
 Identify and inspect problematic market areas
 Route properties for physical inspections and complete inspections
 Identify properties that no longer exist in the district and adjust roll
 Identify and update property characteristics
 Check models and develop new models if necessary
 Change ownership using legal documents
 Review properties to remove homestead, agricultural, and timber applications
 Mass mail homestead applications to new owners
 Mass mail agricultural and timber application to new owners
 Mass mail rendition applications
 Update homesteads on an every 5-year rotation plan
 Map properties from deed changes, check boundaries with deed if mapped
 Review legal instruments for easements, covenants, leases, restrictions, contracts, declarations, special assessments, ordinances, or legal restrictions
 Mail buyer/seller sales surveys
 Mail income expense surveys
 Calculate values
 Plan, prepare, and submit budget for 2027
 Plan, prepare, and hold agricultural advisory meetings
 Mass mail appraisal notices for any property that has increase in value by more than \$1000 or has a new owner.
 Prepare, plan and hold informal and formal hearings
 Certify the appraisal roll
 Plan, prepare, and submit reappraisal plan for 2027-2028

2025 Calendar of Events

Phase	Begin	Complete
Administrations/Planning	Continuous	Continuous
Training:		
Certifications/CEs	Continuous	Continuous
in-house trainings	Continuous	Continuous
conference/workshops	Continuous	Continuous

Identify, discover, route, inspect by aerial photos, land-based photos, surveys, maps, property sketches, measure, update characteristics re-measure, obtain physical attributes such as size, age, condition, additions, deletions, document legal and economic attributes, recognize easements, covenants, leases, reservations, contracts, declarations, inspect problematic areas

September 2024

March 2025

ordinances, legal restrictions, recognize other features or characteristics that may affect the property value either positively or negatively,

Change ownership records

Continuous

Continuous

Check and develop new models

September 2024

March 2025

Review exemptions and special appraisal -physical inspection for use, on-site or aerial

September 2024

March 2025

Mass mail exemptions, special appraisal applications, renditions, lease surveys, income and expense surveys

January 2025

April 2025

Mass mail buyer/seller letters

Continuous

Continuous

Mail renditions:

business personal property/real

January 2025

April 2025

Process returned exemptions and other applications or reports

January 2025

April 2025

Sales data gathered

Continuous

Continuous

Data entry

August 2024

March 2025

Mapping

Mail deeds to True Automation, Ownership changes, check boundaries with deeds and maps

Continuous

Continuous

Valuation Analysis/Processing schedule building/adjustment/testing and determine need for modifiers or adjustments, calculate values

August 2024

March 2025

Appraisal notices	April 1, 2025	May 15, 2025
Submission of records to ARB	May 15, 2025	May 15, 2025
Informal hearings	April 1, 2025	July 20, 2025
Formal hearings	May 16, 2025	July 20, 2025
Certify values	July 25, 2025	July 25, 2025

2026 Calendar of Events

Phase	Begin	Complete
Administrations/Planning	Continuous	Continuous
Training:		
Certifications/CEs	Continuous	Continuous
in-house trainings	Continuous	Continuous
conference/workshops	Continuous	Continuous
Data Collection/Discovery		
collect deeds, mechanic liens		
building permits,		
assumed name filings, etc.	Continuous	Continuous
Potential supplement of records	Continuous	Continuous
Identify, discover, route, inspect by aerial photos, land-based photos, surveys, maps, property sketches, measure, update characteristics re-measure, obtain physical attributes such as size, age, condition, additions, deletions, document legal and economic attributes, recognize easements, covenants, leases, reservations, contracts, declarations, ordinances, legal restrictions, recognize other features or characteristics that may affect the property value either positively or negatively, inspect problematic areas	August 2025	Mar 2026
Change ownership records	Continuous	Continuous
Check and develop new models	August 2025	Mar 2026
Review exemptions and special appraisal -physical inspection for use, on-site or aerial	August 2025	March 2026
Mass mail exemptions, special appraisal		

applications, renditions, lease surveys, income and expense surveys	January 2026	April 2026
Mass mail buyer/seller letters	Continuous	Continuous
Mail renditions: business personal property/real	January 2026	April 2026
Process returned exemptions and other applications or reports	January 2026	April 2026
Gather sales data	Continuous	Continuous
Data entry	August 2025	March 2026
Mapping mail deeds to True Automation, ownership changes, check boundaries with deeds and maps	Continuous	Continuous
Valuation Analysis/Processing schedule building/adjustment/ testing and determine need for modifiers or adjustments, calculate values	August 2025	March 2026
Appraisal notices	April 1, 2026	May 15, 2026
Submission of records to ARB	May 15, 2026	May 15, 2026
Informal hearings	April 1, 2026	July 20, 2026
Formal hearings	May 16, 2026	July 20, 2026
Certify values	July 25, 2026	July 25, 2026

Continuously collect, enter, and review sales data as it becomes available, update characteristics of improvements, and changes noted by appraisers. Make ownership changes as deeds are available, enter/remove exemptions, and special use valuation accounts as they are qualified or no longer qualify. Mail residence homestead exemption applications to new owners as they are identified by the CCAD. Mail surveys to collect sales and income data.

Continue to map and identify property in the district. Electronically Transfer deeds for split-outs to True Automation as deeds are received throughout the year.

The field appraisal staff is responsible for collecting and maintaining property characteristics for classification, valuation, and other purposes. Accurate valuation of real personal property by any method requires a comprehensive physical description of the land and building characteristics. This appraisal activity is responsible for administering, planning, and coordinating all activities involving data collection and maintenance of all commercial, residential, and personal property types located within the boundaries of Cass County and the jurisdictions of the appraisal district. The data collection effort involves the field inspection of real and personal property accounts, as well as entry of all data collected into the existing information system. The goal is to field inspect residential properties in the district on a three-year cycle by geographic area. Industrial, commercial, mineral, utility, and personal properties in the district will be reappraised every year. This cycle will allow for the reappraisal of approximately 16,000 parcels annually.

Staff Providing Significant Mass Appraisal Assistance

Lacy Hicks, RPA, CCA	Chief Appraiser
Lesli Lee, RPA,	Deputy Chief Appraiser
Sandy Hampton	Residential Appraiser
Tabitha McCain	Residential Appraiser
John Moore	Residential Appraiser
Charlie Mauldin	Residential Appraiser
Tina Hill	Deed Processing
Brandy Webb	Deed Research
Brad Beam, RPA	Commercial/BPP Appraiser
Melanie Davis	Commercial/BPP Appraiser
Harris Govern True Automation	Mapping
Gregg Davis, RPA	Capitol Appraisal Group
Cathy Jackson, RPA, RTA, CTA	Industrial Appraiser Capitol Appraisal Group
LaLaina Taylor, RPA	Mineral Appraiser Capitol Appraisal Group
Dawn May, RPA	Utilities Appraiser Capitol Appraisal Group

Mass Appraisal System

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

Cost schedules are tested with market data (sales) to ensure the appraisal district is in compliance with the 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. Cost new tables and depreciation tables information is obtained from recognized industry leader Marshall and Swift.

Depreciation tables are updated to adjust for physical, functional, or economic obsolescence. Physical inspections will determine which properties should have one or all of the listed depreciation types.

Models are developed, identified, and updated as to the market location, physical attributes, legal and economic attributes, easements, covenants, restrictions, contracts, and special assessments. Characteristics of current models are updated or modified to represent the testing and analysis of data.

Land tables are updated using current market data (sales) and then tested with ratio study tools. Value modifiers are developed for property categories by market area and tested on a pilot basis with ratio study tools.

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. The resulting models are tested using ratio study tools.

Personal Property Valuation

Density schedules are updated using Marshall & Swift Valuation Guide. Valuation procedures are reviewed and modified as needed and tested.

Notice Processing

25.19 appraisal notice forms are reviewed and edited for updates. Updates include the latest copy of Comptroller's Taxpayers Rights, Remedies, and Responsibilities in English and Spanish. Cass County Appraisal District will mail notices for single family residence homestead properties by April 1st (or as soon thereafter as practicable) and all other properties will be mailed by May 1st (or as soon thereafter as practicable), with the exception of the business personal property which will be mailed by May 15th (or as soon thereafter as practicable).

For 2025 25.19 notices will be mailed to all real properties. In 2026 25.19 notices will be mailed only to real properties that have increased in value by more than \$1000, that have changed ownership, gained, lost or modified an exemption and or have been reappraised in the year. For 2025 & 2026, 25.19 notices are also mailed to all business personal property, all industrial property, and all mineral property owners.

With the aid of the Cass County Appraisal District calendar the field appraisal staff is responsible for discovering, inspecting, calculating, and evaluating property characteristics of all real and personal property. The goal is to correctly identify all characteristics of property in Cass County and to allocate those characteristics to models developed as comparables, to

generate on a mass scale, the correct market value for every property located within the appraisal district authority. The notice process will begin in August of each year and have a targeted completion date of March 31st with May 15th the target date for personal property of the following year. The months of April, May, June, and July are set aside to complete informal and formal hearings of the equalization phase of the appraisal calendar. July 25th is the target certification date.

Through the gathering of sales data, production standards for field activities are established and results are tested on a quarterly basis. Sales data is gathered through MLS listings, buyer and seller questionnaires mailed by the appraisal district, verbal contacts with the citizens of Cass County, and confirmations of sales activity in warranty deed or Cass County Clerk's recorded documents. With the annual Property Value Study performed by the Comptroller's Property Tax Division, sales information and recognized auditing and sampling techniques are used to determine the level and uniformity of property tax appraisal in this district. This process utilizes statistical analysis of sold properties (sales ratio) and appraisals of unsold properties (appraisal ratios) as a basis for assessment ratio reporting. The reported measures include the 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 (PDR) for properties overall and by state category. The ratio study includes stratified samples to improve sample representation for measuring uniformity.

Harris Govern True Automation software programming division provides updates of all program calculation, adjustments, forms, and computer form revisions that are dictated in legislative sessions or changes in the law. Management assists with the scheduling and processing of these updates in order to be timely effective for the use in the appraisal process.

The mass appraisal process is accomplished by using model calibration. Model calibration involves the process of periodically adjusting the mass appraisal formulae, tables, and schedules to reflect current local market conditions. The basic structure of a mass appraisal model can be valid over an extended period of time, with trending factors utilized for updating the data to current market conditions. If the adjustment process becomes too involved, the model calibration technique can mandate new model specifications or a revised model structure. Many times, this occurs when new construction materials or cost and architectural design develops into an additional class of property.

Cost schedules will be updated with market data (sales) to ensure that the appraisal district is in compliance with Texas Property Tax Code, Sec. 23.011(4) requirement of being within 10% of a generally accepted cost data source. CCAD uses Marshall and Swift Valuation Service. Cost models reflect the replacement cost new of all improvements. Because a national cost service is used as a basis for the cost models, location modifiers are necessary to adjust these base costs specifically for various types of improvements. An average of the closest known local modifiers will be used because a specific modifier for Cass County has not been developed.

Accrued depreciation is the measured loss of value against replacement cost new taken from all forms of physical deterioration, functional and economic obsolescence. Estimates of accrued depreciation are calculated for improvements with a range of variable years of expected life based on observed condition with consideration of actual age. Effective and actual ages are noted in the computer assisted mass appraisal system. Effective age estimates are based on the utility of the improvements relative to the scale of its total economic life and its competitive position in the marketplace. Effective age estimates are considered and reflected based on six

levels of observed condition.

A depreciation override can be used if the condition or effective age of a property varies from the norm by appropriately noting the physical condition and functional utility ratings on the property data characteristics. These adjustments can be developed via ratio studies or other market analysis and are tied to specific condition adequacy or deficiency, property type or location.

Estimating accrued depreciation and deducting that from the estimated replacement cost new of improvements indicates the estimated contributory value of the improvements. Adding land value, as if vacant, to the contributory value of the improvements indicates a property value by the cost approach.

Land tables are updated using current market data (sales) and then tested with ratio study tools. Value modifiers are developed for property categories by market area and tested with ratio study tools.

Income, expense, and occupancy data are useful tools in producing an income approach to value. The income approach is typically used to value property viewed as "income producing" such as duplexes, apartment buildings, and storage facilities. The difficulty in gathering this important data has not afforded this district the ability to use this approach on a consistent nor wide spread basis. The district will continue to consider this approach to value as information permits. The gathering of income data is a constant process and due diligence is performed to maintain income data to create models to be used in this approach. The income approach is used on the special appraisal process for the agricultural and timber properties. The data gathered and used in this type appraisal is requested from the Comptroller and is data they have gathered from Texas A&M University Forest Service which in turn has gathered information from timber mills and suppliers. The agricultural advisory board supplies additional information to comply with the income and expense information on cash leases to determine the agricultural productivity appraisal.

Capitalization process used in the income approach on agricultural and timber properties is a direct rate provided by Section 23.53 and Sec. 23.74 of the Property Tax Code. Capitalization rate for other income producing properties will be derived from the market or band of investment method.

Personal property valuation cost schedules are developed by analyzing cost data from property owner renditions, hearings, state schedules, and published cost guides. The cost schedules are reviewed as necessary to conform to changing market conditions. Most of the information used by the district is generated to the district from the owner in the form of a rendition. Each year's rendition is compared to the last year to verify additions or deletions and to get a better understanding of what property should exist at the business. The present value factor is used as an express calculation in the cost approach. The present value factor is applied to historical cost as follows:

$$\text{MARKET VALUE ESTIMATE} = \text{PVF} \times \text{HISTORICAL COST}$$

Historical cost is normally supplied to CCAD via the completed rendition form from the owner of the business. The mass appraisal PVF schedule is used to ensure that estimated values are uniform, consistent, and reflect current economic pressures of supply and demand.

DATA COLLECTION REQUIREMENTS BY TAX YEAR

Activities scheduled for each tax year include new construction, demolition, remodeling, re-inspection of problematic market areas, and re-inspection of the universe of properties on a specific cycle. The specific cycle will be determined annually after appropriate documentation on sales activity, replacement cost new data, and/or any other economic catalyst that affects a sufficient number of properties that indicate a complete reappraisal is necessary. The final result accomplished with this plan is every property being reappraised by law at least once every three years.

The principal source of data collection on new construction and remodeling are generated by building permits and mechanics liens. Building permits are filed with the City of Atlanta, City of Hughes Springs, and City of Queen City. The other cities in the county do not issue building permits. Mechanics liens are filed in the Cass County Clerk's office. A field effort of driving the county also generates a constant watchful eye on any new construction or additions that may be added to the property. With the addition of the web connection, property owners, and real estate agents are generating and filtering information to the CCAD about the property description of individual properties.

Data surveys included in the buyer and seller questionnaire, when returned, are helpful in identifying characteristics that are needed to correctly appraise property and give the CCAD current sales data. Identifying these characteristics with the sales information aides in the model calibration of properties included in that class or category and identifies problematic areas. Quality of data is emphasized as the goal and responsibility of each appraiser. Sales information is verified by sources such as new owner, seller, local realtors, comptroller's sales letter survey, and Multiple Listing Service. Multiple Listing Service is a good source for data characteristics.

Field appraisers perform field activities to ensure the data they have entered into the computer based system has been maintained and is correct. Data updates and file modification for property descriptions and input accuracy is conducted as the responsibility of the field appraiser.

Texas Railroad Commission and division orders are the source for our mineral appraisals.

Personal property rendition forms are the source of data for commercial property inventories, furniture, fixtures, machinery, and equipment. Assumed names filed with the county also generate additional check points for new business personal property.

PILOT STUDY BY TAX YEAR

The International Association of Assessing Officers, Standards on Mass Appraisal of Real Property specifies that the universe of properties should be re-inspected on a cycle of 3 years.

Sales ratio studies are conducted each tax year by category and market areas. Eagle Landing in Avinger ISD is a market area and the remaining portion of Cass County is considered one market area. Sales ratio studies were run by individual school districts, by city, and by category. Another challenge to distinguishing market areas in Cass County by geographic area is having enough sales per the IAAO Standard on Ratio Studies to have the optimum sample size to produce

reliable results.

Actual test results are compared with anticipated results and those models not performing satisfactorily are refined and retested. Discovery of necessary adjustments will be disbursed among the market areas as described above. These procedures used for model specification and model calibration are in compliance with Uniform Standards of Professional Appraisal Practice, Standard Rule 6.

VALUATION BY TAX YEAR

Calculation of preliminary values enables the district to use the market analysis of comparable sales and gathered cost data to ensure that the ratio study performed in each category of property, neighborhood, and defined market areas generate an acceptable ratio in each segment of property or grouped segment of properties. Properties in selected market areas are updated in non-reappraisal years as well as in reappraisal years if the ratio results reflect the need for a change. Therefore, the need for re-appraisal year is made on an annual basis and determined by market areas. Every property is reappraised at least once every three years. A change may or may not occur depending on the cost data gathered, sales information gathered, or other pertinent information pertaining to the individual property or property characteristics.

All three approaches to value will be considered on all types of properties. The appraiser will determine and select the method that gives the greater weight of market value. Below is an itemization of which approach is common for each type of property and why the other approaches may not generate a representative market value.

RESIDENTIAL REAL PROPERTY

Sales comparison method is the most frequently used method of appraisal for this property.

Cost approach will be used for this property if sufficient sales data cannot be collected or on special use properties.

The income approach will be considered if rental income may be a better indication of value.

SPECIAL INVENTORY RESIDENTIAL PROPERTY

Cost approach to value is the most common usage in this category of property. Developers have the same benefits and rights as individuals with other types of inventories in which they are entitled to have their property grouped as if it were to be sold as a whole. This method is based on the use of cost or market, whichever is lowest.

Sales approach is not used until the developer sells the property and the category changes to one other than inventory.

Income approach to value is not used on this property because it is not income producing.

MULTIFAMILY RESIDENTIAL PROPERTY WESTERN VALUATION SERVICES

Due to the limited number of sales in this type of property it is not feasible to use the sales comparison approach to value, but is always considered if the data is available.

The cost approach would be used as a comparison to the income approach to determine the best approach to value considering the evidence of income and expense information for properties of this type in this county. The inability to collect income and expense information determines whether the cost approach will be the reliable approach for this county.

Income approach may not be feasible because of the inability to receive documented evidence on true income and expense information in this subject area. All efforts and attempts to collect data and store data will continue.

COMMERCIAL REAL PROPERTY WESTERN VALUATION SERVICES

Sales comparison approach to value is a limited resource and is not a reliable approach for this group of property when sales are limited in number. Sales data may or may not include a documented value for goodwill without this measure the sales approach may generate a distorted value. The infrequency of sales activity limits the measure in this approach.

Cost approach to value is the most reliable approach to market for this type of property in this county.

Income approach is not used as this approach is for income producing properties. Income approach will be used if data collected can be stored and updated and the property is income producing such as shopping centers, hotels, motels, etc.

VACANT REAL PROPERTY

Sales comparison approach is the best approach for this type of property and is the most commonly used approach for this type of property.

Cost approach is not feasible.

Income approach could be used only on those properties that were generating a rental income. This is not the most commonly used approach in this type property.

INDUSTRIAL REAL PROPERTY CAPITOL APPRAISAL

Sales comparison approach is the best approach for this type of property but because of the limited sales activity in the area information may or may not be readily available.

Cost approach is a valid and sometimes the most effective process to generate a market value.

Income approach is not a common approach to value for this type of property but is always considered.

UTILITIES CAPITOL APPRAISAL

Sales comparison approach is not used in these appraisals because of the limited sales activity in this type property.

Cost approach can and will be considered.

Income approach is the most common approach to value for this type of property.

MINERAL INTEREST CAPITOL

Sales comparison approach is not used in this type of appraisal because of the limited sales activity associated with this type property.

Cost approach cannot be considered in this type of property.

The income approach is the most reliable approach to value for this type property.

SPECIAL VALUATION PROPERTIES

Sales comparison approach is not used in this type of appraisal. This property is appraised based on its ability to generate income. Sales data is limited on this type of property.

Cost approach is not used on this type of property. There is no effective or feasible way to use cost approach.

Income approach is the correct approach used on this type of property because it is an income producing property and is based on the land's ability to generate income.

COMMERCIAL TANGIBLE PERSONAL PROPERTY WESTERN VALUATION SERVICES

Sales approach is not used due to the limited number of sales activity in this type of property.

Cost approach to value is the most reliable approach with the aid of renditions that are prepared by the owner giving the historical cost of the items and with the use of indexing the historical value to generate an in use current value.

Income approach is not used as the personal property is not normally used nor produces rental income.

INDUSTRIAL TANGIBLE PERSONAL PROPERTY CAPITOL

Sales approach is not used due to the limited number of sales activity in this type of property.

Cost approach to value is the most reliable approach with the aid of renditions that are prepared by the owner giving the historical cost of the items and with the use of indexing the historical value to generate an in use current value.

Income approach is not used as the personal property is not normally used nor produces rental income.

THE MASS APPRAISAL REPORT BY TAX YEAR

The appraisal of a large number of real and personal properties within an established period of time using standardized procedures and subjecting the resulting appraisals to statistical testing is the definition of mass appraisal.

The mass appraisal report is a report prepared and certified by the chief appraiser at the conclusion of the appraisal phase of the ad valorem appraisal calendar. Since the majority of ad valorem real property appraisal in Cass County is accomplished using mass appraisal techniques, the general standard for appraisal should reflect compliance with USPAP Standard 6. The signed certification is compliant with the Standard Rule 6-9 of USPAP. This written reappraisal plan is attached to the Mass Appraisal Report by reference.

The scope of work for a mass appraisal includes the following:

1. Identifying properties to be appraised
2. Defining market areas
3. Identifying characteristics that affect the market value
4. Developing a benchmark property that reflects the relationship of characteristics affecting value
5. Calibrating the benchmark
6. Calculating the conclusion of the property being appraised
7. Reviewing the mass appraisal results

The purpose of the mass appraisal completed by Cass County Appraisal District is to estimate fair market value for ad valorem tax purposes. These values are used by the taxing jurisdictions

in the county. Ad valorem equates to tax based on value and maintains a consistent appraisal date of January 1st of each year with the exception of some inventories.

Appraisals completed by the appraisal district office are subject to the following assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. All sketches in the appraisal documents are intended to be visual aids and should not be construed as surveys or engineering reports unless otherwise specified.
4. All information in the appraisal documents have been obtained by members of the appraisal district staff or other reliable sources.
5. The opinion of value for each property applies to land and improvements. The value of trade fixtures, furnishings and other equipment has not been included with the value of the real estate.
6. The appraisals were prepared exclusively for ad valorem tax purposes.
7. The appraisers developing these appraisals are not required to give testimony or attendance in court by reason of the appraisal, unless directed by, employed by, and provided legal counsel by the Cass County Appraisal District.
8. Subsurface rights (minerals and oil) were not considered in making the appraisals.
9. Appraisers have inspected, by observation, the land and the improvements, however, it is not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. No representation of this matter is made unless specifically detailed by the owner or approval for inside inspection by the owner.
10. The values generated by the appraisal district are reviewed annually by the Property Tax Division of the Texas Comptroller of Public Accounts in order to finalize a Value Study each year for the purpose of the use in TEA state funding calculation in the school district budget.

It must be noted that no reappraisal program, regardless of how skillfully administered, can ever be expected to be error free. The correction of errors can best be assisted by giving the taxpayer an opportunity to question the value placed upon his individual property and the opportunity to produce evidence that the value is incorrect or inequitable. Errors will be brought to light and corrective action be taken to further the objectives of the program.

CERTIFICATION STATEMENT:

"I, Lacy Hicks, Chief Appraiser for the Cass County Appraisal District, solemnly swear that I will make or cause to be made, a diligent inquiry and search to ascertain all property in the district subject to appraisal by me, and that I will include in the records all property that I am aware of at an appraised value which, to the best of my knowledge and belief, is determined as required by law."

Lacy Hicks
Chief Appraiser

Date

VALUE DEFENSE

In addition to ratio review using sales data, cost data from generally accepted sources, original cost, effective age versus actual age, net operating income (when available, this one source is very limited), and appraiser review, property owners are afforded an opportunity to review the appraised values and supporting documentation with the generation of appraisal notices in April and May of each year. This process then begins what is known as the equalization phase.

Section 25.19 appraisal notice forms are reviewed and edited for updates and changes by appraisal district management. Included in the notice is the public notice of protest and appeal procedures as required by Sec. 41.70 of the Property Tax Code.

The equalization phase begins with the scheduling of informal and formal hearings. The appraisal district appraisers meet individually with the property owners to fulfill the informal process and make justified adjustments to property values. After due diligence in trying to inform the citizen of the changes that have occurred with their individual properties it may become necessary to schedule a formal hearing with the Appraisal Review Board. All standards, documentations, and procedures are reviewed to assure compliance with HB 201 producing documents to the taxpayer 14 days prior to their formal hearing or meeting with the ARB.

A group of citizens from Cass County are appointed to form the Cass County Appraisal Review Board to listen to the concerns, complaints, and evidence of the property owner in trying to determine the correct value of the property. This process is the second phase with the first phase being an informal review between the appraiser and the citizen. After a formal hearing and the final determination of the ARB, the citizen can complete an application for binding arbitration if the value of the property is less than \$1,000,000 and the appeal pertains to the value issue only. Arbitration may also apply on property over \$1,000,000 if it qualifies as a homestead under Section 11.13. Other issues and value must be appealed to District Court.

Residential property defense mechanisms will include sales of comparable properties, replacement cost new less depreciation, cost guide information, similar properties with similar appraisals, effective age utility, full listing of characteristics of each property on an appraisal card as they were known at the time of appraisal, pictures, maps with location, and deeds of trust or ownership deeds.

Special inventory residential property defense mechanisms will include the real property rendition generated to the appraisal district by the property owner.

Multifamily residential property defense mechanisms will include sales of comparable properties, replacement cost new less depreciation, similar properties with similar appraisals, effective age utility, full listing of characteristics of each property on an appraisal card as they were known at the time of appraisal, pictures, location maps, and deeds of trust or ownership deeds.

Commercial real property defense mechanism will include sales of comparable properties, replacement cost new less depreciation, similar properties with similar appraisals, effective age utility, full listing of characteristics of each property on appraisal card as they were known at the time of the appraisal, pictures, cost guide information, location maps, and deeds of trust or ownership deeds.

Vacant real property evidence will consist of sales comparable when available, location maps, deeds of trust or ownership deeds, and land schedules that reflect value uniformity.

Industrial real property, industrial tangible personal property, utilities, and mineral interest will include sales of comparable properties, replacement cost new less depreciation, similar properties with similar appraisals, effective age utility, full listing of characteristics of each property as they were known at the time of appraisal, pictures, cost guide information, location maps, and deeds of trust or ownership deeds.

Business tangible personal property evidence will be generated from the personal property rendition form completed by the business owner and calculation of the square foot method using the comptroller's manual for personal property.

The comparison grids of similar properties in size, age, construction type, and quality with similar values will be used to determine equity level of appraisal along with ratio reports.

COMPUTER FORMULAS AND MODELS

Basic model for Real Property: MV

$$=IV+LV$$

MV = Market Value

IV = Improvement or Structure value

LV = Land Value

Expanded model:

$$MV = [(IUNIT \times ISIZE) + \text{or-} \text{ADDITIVES} \times \%GOOD \times INF] + [(LUNIT \times LSIZE) \times LNF]$$

MV=Market Value

IUNIT= Replacement cost new per square foot

ISIZE= Improvement square foot living area

Additives= Improvement amenities contributing to the value of the structure

%GOOD= Allowed or allowable depreciation INF=Improvement

Neighborhood Factor if measurable LUNIT= Land value from schedules

LSIZE= Land parcel per square foot, acreage or front footage

LNF= Land Neighborhood Factor if measurable

Basic model for personal property: MV=PVF x

HC x OF

MV=Market Value PVF=Present Value

Factor HC=Historical Cost

DF=Depreciation Factor

Cass County Appraisal District
Resolution to Adopt
2025-2026 Reappraisal Plan

Whereas, according to Section 25.18(c) and Section 6.05(i) of the Texas Property Tax Code, 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(c) and Section 6.05(i) shall hold a public hearing to consider the proposed plan.

Therefore, on this 4th day of September, 2024 the Board of Directors of Cass County Appraisal District does approve and adopt the attached reappraisal plan for the years 2025 and 2026.

David Cothren, Chairman

Rebecca Wells, Vice-Chairman

Angela Young, Secretary
Cass County TAC

Jackie Yates, Director

Joe Smith, Director

Gary Dodd, Director

James Frost, Director

Questions concerning this plan should be addressed to Lacy Hicks, Chief Appraiser, Cass County Appraisal District, 502 N. Main Street, Linden, Texas 75563. 903-756-7545

APPENDIX