RAINS COUNTY APPRAISAL DISTRICT

BIENNIAL REAPPRAISAL PLAN

Appraisal Years 2027–2028

To be Approved by the Board of Directors: ___________

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1. EXECUTIVE SUMMARY

The Rains County Appraisal District (RCAD) has prepared and adopted this Biennial Reappraisal Plan for the 2027 and 2028 appraisal years in compliance with Section 6.05(i) and Section 25.18 of the Texas Property Tax Code.

This plan establishes the procedures and standards used by the appraisal district to identify, inspect, classify, and appraise all taxable property within the jurisdiction of the district. The plan is intended to ensure that all property is appraised at market value as of January 1 of each appraisal year unless otherwise provided by law.

The reappraisal process includes the identification of market areas, property inspections, collection and verification of sales information, ratio studies, valuation model calibration, and the application of mass appraisal techniques consistent with the Uniform Standards of Professional Appraisal Practice (USPAP) and the standards of the International Association of Assessing Officers (IAAO).

The district shall conduct reappraisal activities in a manner that promotes fairness, accuracy, compliance, transparency, and uniformity throughout the district.

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2. STATUTORY REQUIREMENTS

Texas Property Tax Code Requirements

Section 6.05(i), Texas Property Tax Code

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 required under Section 25.18 and shall hold a public hearing to consider the proposed plan.

Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any adjustments, and approve the plan by resolution.

Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the Comptroller within sixty (60) days after the approval date.

Section 25.18(a), Texas Property Tax Code

Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(i).

Section 25.18(b), Texas Property Tax Code

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 other reliable means of identification;
2. Identifying and updating relevant characteristics of each property in the appraisal records;
3. Defining market areas in the district;
4. Identifying property characteristics that affect property value in each market area, including:
   - the location and market area of the property;
   - physical attributes of property, such as size, age, and condition;
   - legal and economic attributes; and
   - 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 accuracy and compliance with the Texas Property Tax Code.

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3. REAPPRAISAL PLAN OVERVIEW

RCAD shall conduct appraisal and reappraisal activities in accordance with applicable law and generally accepted mass appraisal standards.

The district uses a combination of field inspections, aerial imagery, sales analysis, ratio studies, property owner information, cost schedules, income analysis, and market trend analysis to determine market value.

All taxable property within the district shall be subject to reappraisal at least once every three years, although market analysis and valuation updates may occur annually.

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4. REVALUATION DECISION

The Chief Appraiser shall annually evaluate the performance of the appraisal roll and determine the need for market adjustments, schedule revisions, neighborhood delineation changes, and additional field inspections.

The revaluation decision is based on:

- ratio study performance;
- sales analysis;
- market trends;
- cost and depreciation trends;
- economic conditions;
- construction activity;
- legislative changes; and
- Recommendations from the Property Value Study (PVS).

Properties located in areas demonstrating significant market change shall receive priority consideration for reinspection and recalibration.

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5. PERFORMANCE ANALYSIS

The district conducts internal performance analysis to evaluate appraisal accuracy, uniformity, and compliance.

Performance standards include:

- ratio study analysis;
- coefficient of dispersion (COD);
- price-related differential (PRD);
- appraisal-to-sale ratio analysis;
- comparison to Comptroller Property Value Study findings;
- internal audit review; and
- field review consistency.

The district seeks to maintain appraisal levels and uniformity standards consistent with IAAO guidelines and Texas Comptroller requirements.

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6. ANALYSIS OF AVAILABLE RESOURCES

The Chief Appraiser shall annually review staffing levels, budget constraints, mapping systems, software systems, contracted services, and technology resources to determine operational capacity.

Resources used in the reappraisal process may include:

- appraisal software systems;
- geographic information systems (GIS);
- aerial imagery;
- field inspection equipment;
- cost manuals and schedules;
- Marshall & Swift valuation services;
- sales databases;
- deed and transfer information; and
- contracted appraisal services.

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7. PLANNING AND ORGANIZATION

The appraisal district shall implement annual work plans to coordinate reappraisal activities.

The planning process includes:

- assigning field inspection areas;
- scheduling property reviews;
- coordinating data collection;
- reviewing market conditions;
- calibrating valuation schedules;
- preparing notices of appraised value; and
- preparing for protest hearings.

The Chief Appraiser is responsible for supervising all appraisal operations and ensuring compliance with the adopted reappraisal plan.

8.CALENDAR OF KEY EVENTS – 2027

Activity	Approximate Timeframe
Market analysis and sales review	January–March 2027
Field inspections and data collection	August 2026–March 2027
Valuation schedule updates	January–April 2027
Notices of appraised value mailed	April–May 2027
Informal meetings and protests	May–July2027
Appraisal Review Board hearings	May–July 2027
Certification of appraisal roll Create new year layer in CAMA	July 25, 2027
Ratio studies and performance review	January-April 2027
Planning for next appraisal cycle	August 2026-March 2027

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9. CALENDAR OF KEY EVENTS – 2028

Activity	Approximate Timeframe
Market analysis and sales review	January–March 2028
Field inspections and data collection	August 2027–March 2028
Valuation schedule updates	January–April 2028
Notices of appraised value mailed	April–May 2028
Informal meetings and protests	May–July 2028
Appraisal Review Board hearings	May–July 2028
Certification of appraisal roll Create new year layer in CAMA	July 25, 2027
Ratio studies and performance review	January – April 2028
Planning for next appraisal cycle	August 2027-March 2028

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10. MASS APPRAISAL SYSTEM

RCAD employs a mass appraisal system designed to achieve uniform and equitable appraisal results.

The mass appraisal process includes:

- identification of taxable properties;
- collection and maintenance of property characteristics;

- market area analysis;
- application of valuation models;
- calibration of schedules;
- ratio study analysis; and
- final review and quality control.

Valuation methodologies include the cost approach, sales comparison approach, and income approach, when applicable.

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11. REAL PROPERTY VALUATION PROCESS

Identification and Update of Property Characteristics

Property characteristics are identified and updated through:

- field inspections;
- building permits;
- aerial imagery;
- deeds and transfer records;
- taxpayer renditions;
- surveys and plats; and
- third-party data sources.

Defining Market Areas

Market areas are defined based on geographic location, school district boundaries, neighborhood influences, economic characteristics, and market behavior.

New Construction and Improvements

New construction and remodeling are identified through permits, field inspections, aerial review, and taxpayer reporting.

Demolition and Property Changes

The district updates appraisal records to reflect demolition, destruction, splits, combinations, and other changes affecting value.

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12. RESIDENTIAL PROPERTY APPRAISAL

Residential property is appraised using accepted mass appraisal techniques.

Cost Approach

The cost approach estimates replacement cost new less depreciation plus land value.

Sales Comparison Approach

The sales comparison approach analyzes verified sales of comparable properties to determine market value.

Income Approach

The income approach may be considered for residential rental properties where reliable income information is available.

Inventory and Classification

Residential properties are classified and analyzed according to:

- construction quality;
- age;
- condition;
- size;
- design;
- location; and
- market influences.

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3. COMMERCIAL AND MULTIFAMILY APPRAISAL

Commercial and multifamily properties are appraised using one or more of the three recognized approaches to value.

Cost Approach

Replacement cost new less depreciation is analyzed together with land value.

Sales Comparison Approach

Verified comparable sales are analyzed to determine market value.

Income Approach

Income-producing properties are analyzed using:

- market rents;
- vacancy and collection loss;
- operating expenses;
- capitalization rates; and
- income multipliers.

Contracted appraisal specialists may assist with valuation of complex commercial properties.

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14. UTILITIES, RAILROAD, AND PIPELINE APPRAISAL

Utility, railroad, and pipeline properties may be appraised through contracted appraisal services utilizing unit valuation methods, allocated value analysis, and industry-standard valuation procedures.

Approaches to value may include:

- cost approach;
- income capitalization; and
- stock and debt analysis.

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15. INDUSTRIAL AND MINERAL PROPERTY APPRAISAL

Industrial and mineral properties may be appraised using specialized valuation techniques and contracted expertise.

Mineral interests are valued using available production data, reserve estimates, pricing information, and discounted cash flow analysis when appropriate.

Industrial properties are analyzed according to their use, income potential, replacement cost, and market activity.

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16. BUSINESS PERSONAL PROPERTY APPRAISAL

Business personal property is appraised in compliance with the Texas Property Tax Code.

Cost Approach

The primary approach used is historical cost less depreciation based on age and economic life.

Sales Comparison Approach

Sales information may be used when sufficient market evidence is available.

Income Approach

The income approach may be considered for certain business assets when appropriate market data exists.

Business personal property accounts are reviewed through:

- annual renditions;
- field inspections;
- audits;
- business listings;
- sales tax permit information; and
- third-party data.

17. MARKET ANALYSIS AND RATIO STUDIES

The district performs ratio studies and market analysis to test appraisal performance and ensure compliance with appraisal standards.

Sales data is collected from deeds, affidavits, multiple listing services, property owners, fee appraisers, and other reliable sources.

Sales are verified, when possible, to determine:

- validity;
- financing conditions;
- personal property inclusion;
- market exposure; and
- unusual circumstances.

Ratio studies are used to:

- measure appraisal uniformity;
- calibrate schedules;
- identify market trends; and
- prioritize field review areas.

18. NOTICE AND PROTEST PROCESS

RCAD shall provide notices of appraised value as required by the Texas Property Tax Code.

Property owners have the right to protest values and other matters before the Appraisal Review Board (ARB).

The district provides:

- informal review opportunities;
- evidence exchange as required by law;
- ARB hearing scheduling; and
- certified appraisal records.

19. VALUE DEFENSE AND APPEALS

The appraisal district prepares and presents evidence in support of appraised values during protest hearings and litigation.

Evidence may include:

- comparable sales;
- appraisal records;
- photographs;
- maps;
- income and expense data;
- cost schedules; and
- market analysis.

The district may consult with legal counsel and contracted appraisal professionals when necessary.

20. MASS APPRAISAL REPORT

The Chief Appraiser shall prepare and maintain documentation supporting the district's mass appraisal process.

The report may include:

- scope of work;
- valuation methodologies;
- market analysis;
- calibration procedures;
- ratio study results;
- schedule development; and
- compliance review.

GLOSSARY OF TERMS

Appraisal District

A political subdivision of the State of Texas is responsible for appraising property for ad valorem taxation.

Appraisal Review Board (ARB)

An independent board authorized to resolve disputes between property owners and the appraisal district.

Cost Approach

A valuation method that estimates value based on replacement or reproduction cost less depreciation plus land value.

Income Approach

A valuation method that converts anticipated income into an indication of value.

Market Value

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 seller and purchaser to find each other;
- both parties know all uses and purposes for which the property is adapted and capable of being used;
- and both parties seek to maximize gains, and neither is in a position to take advantage of the other.

Mass Appraisal

The process of valuing a group of properties as of a given date using common data, standardized methods, and statistical testing.

Ratio Study

A study comparing appraised values to market values to evaluate appraisal accuracy and uniformity.

Sales Comparison Approach

A valuation method based on comparison of a property to similar properties that have recently sold.

USPAP

Uniform Standards of Professional Appraisal Practice.

IAAO

International Association of Assessing Officers.

Reappraisal

The process of updating property characteristics, market analysis, and valuation models to reflect current market conditions.

THE MASS APPRAISAL REPORT

This reappraisal plan specifies the scope of work planned by the Rains County Appraisal District to produce the official appraisal roll for 2027 and 2028. Each appraisal year the USPAP requires a Mass Appraisal Report to be prepared and certified by the Chief Appraiser at the conclusion of the appraisal phase of the ad valorem tax calendar (on or about May 15th). The Mass Appraisal Report is completed in compliance with Standard Rule 6-8 of the *Uniform Standards of Professional Appraisal Practice.* The signed certification by the Chief Appraiser will be compliant with Standard Rule 6-9 of USPAP.

Certification:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that are the subject of this report, except for those properties that are personally owned, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- No one provided significant professional assistance to the person signing this report.

Sherri McCall

Sherri McCall, Chief Appraiser

Rains County Appraisal District

Chairperson, Board of Directors

8-20-24

Date: