

Coke County Appraisal District
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Coke County Appraisal District

2021 Mass Appraisal Report

Introduction

Scope of Responsibility

The Coke County Appraisal District has prepared this report to provide our citizens and taxpayers with a better understanding of the district's responsibilities and activities. This report has several parts: a general introduction and then several sections describing the appraisal effort by the appraisal district.

The Coke County Appraisal District is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A member board of directors, appointed by the taxing units within the boundaries of Coke County, constitutes the district's governing body. The chief appraiser, appointed by the board of directors, is the chief administrator and chief executive officer of the appraisal district.

The appraisal district is responsible for local property tax appraisal and exemption administration for nearly 10 jurisdictions or taxing units in the county. Each taxing

unit, such as the county, a city, school district, municipal utility district, etc., sets its own tax rate to generate revenue to pay for such things as police protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Appraisals established by the appraisal district allocate the year's tax burden on the basis of each taxable property's January 1st market value. We also determine eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled veterans, and charitable and religious organizations.

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

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

The Texas Property Tax Code defines special appraisal provisions for the valuation of residential homestead property (Sec. 23.23), productivity (Sec. 23.41), real property inventory (Sec. 23.12), dealer inventory (Sec. 23.121, 23.124, 23.1241 and 23.127), nominal (Sec. 23.18) or restricted use properties (Sec. 23.83) and allocation of interstate property (Sec. 23.03). The owner of real property inventory may elect to have the inventory appraised at its market value as of September 1st of the year preceding the tax year to which the appraisal applies by filing an application with the chief appraiser requesting that the inventory be appraised as of September 1st.

The Texas Property Tax Code, under Sec. 25.18, requires each appraisal district board to adopt a written plan each even-numbered year for the periodic reappraisal of all property within the boundaries of the district. The written plan must provide for the update of appraised values for all real property and personal property in the district at least once every 3 years. However, appraised values are reviewed annually and are subject to change for the purpose of equalization.

The appraised value of real estate is calculated using specific information about each property. Using computer-assisted appraisal programs, and recognized

appraisal methods and techniques, we compare that information with the data for similar properties, and with recent market data. The district follows standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Professional Appraisal Practice (USPAP) to the extent they are applicable. In cases where the appraisal district contracts for professional valuation services, the contract that is entered into by each appraisal firm requires adherence to similar professional standards.

Personnel Resources

The Office of the Chief Appraiser is primarily responsible for overall planning, organizing, staffing, coordinating, and controlling of district operations. The Administration Department's function is to plan, organize, direct and control the business support functions related to human resources, budget, finance, records management, purchasing, fixed assets, facilities and postal services. The Appraisal Department is responsible for the valuation of all real and personal property accounts. The property types appraised include commercial, residential, business personal, and industrial. The district's appraisers 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. Support functions including records maintenance, information and assistance to property owners, and hearings support are coordinated by the Appraisal District Staff.

The appraisal district staff consists of 2 employees with the following classifications:

- ◆ 1 Official/Administrator
- ◆ 1 Appraiser

Data

The district is responsible for establishing and maintaining approximately 14,628 real, personal and mineral property accounts covering 270 square miles within Coke County. This data includes property characteristic and ownership and exemption information. Property characteristic data on new construction is updated through an annual field effort; existing property data is maintained through a field review that is prioritized by last field inspection date. Sales are routinely validated during a separate field effort; however, numerous sales are validated as part of the new construction and data review field activities. General trends in employment, interest rates, new construction trends, and cost and market data are

acquired through various sources, including internally generated questionnaires to buyer and seller, market data centers and vendors.

Information Systems

All appraisal data is stored in a mainframe hardware system maintained by Pritchard & Abbott Inc., based in Fort Worth, Texas.

Shared Appraisal District Boundaries

The Coke County Appraisal District appraises property that overlaps into the Blackwell School District as well as the Water Valley School District. The appraisal district shares data to Nolan CAD and Tom Green CAD concerning the overlapping properties.

Independent Performance Test

According to Chapter 5 of the Texas Property Tax Code and Sec. 403.302 of the Texas Government Tax Code, the State Comptroller's Property Tax Assistance Division (PTAD) conducts an annual property value study (PVS) of each Texas school district and each appraisal district. As a part of this biannual study, the code also requires the Comptroller to: use sales and recognized auditing and sampling techniques; review each appraisal district's appraisal methods, standards and procedures to determine whether the district used recognized standards and practices (MSP review); test the validity of school district taxable values in each appraisal district and presume the appraisal roll values are correct when values are certified; and, determine the level and uniformity of property tax appraisal in each district. The methodology used in the property value study includes stratified samples to improve sample representativeness and techniques or procedures of measuring uniformity. This study utilizes statistical analysis of sold properties (sales ratio studies) and appraisals of unsold properties (appraisal ratio studies) as a basis for assessment ratio reporting. For appraisal districts, the reported measures include median level of appraisal, coefficient of dispersion (COD), the percentage of properties within 10% of the median, the percentage of properties within 35% of the median, and price-related differential (PRD) for properties overall and by state category (i.e., A, B, C, D and F1 are directly applicable to real property).

There are 2 local and 2 overlapping independent school districts in Coke CAD for which appraisal rolls are annually developed. The preliminary results of this study are released in January in the year following the year of appraisal. The final

results of this study are certified to the Education Commissioner of the Texas Education agency (TEA) in the following July of each year for the year of appraisal. This outside (3rd party) ratio study provides additional assistance to the Cad in determining areas of market activity or changing market conditions.

Appraisal Activities

Introduction

Appraisal Responsibilities

The field appraisal staff is responsible for collecting and maintaining property characteristic data for classification, valuation, and other purposes. Accurate valuation of real and personal property by any method requires a physical description of the property, and land and building characteristics. The data collection effort involves the field inspection of real and personal property accounts, as well as data entry of all data collected into the existing information system. The goal is to periodically field inspect residential and personal properties in Coke County at least once every 3 years, and commercial properties every year. Meeting this goal is dependent on budgetary constraints.

Appraisal Resources

- ◆ Personnel – The appraisal activities consist of 1 appraiser
- ◆ Data – The data used by field appraisers includes the existing property characteristic information contained in CAMA (Computer Mass Appraisal System) from the district's computer system. The data is printed on a property record card (PRC), or personal property data sheets. Other data used includes maps, sales data, fire and damage reports, building permits, photos, and actual cost information.

Preliminary Analysis

Data Collection/Validation

Data collection of real property involves maintaining data characteristics of the property on CAMA (Computer Assisted Mass Appraisal). The information contained in CAMA includes site characteristics, such as land size and topography, and improvement data, such as square footage, year built, quality of construction,

and condition. Field Appraisers use listing manuals that establish uniform procedures for the correct listing of the property. All properties are coded according to these manuals and the approaches to value are structured and calibrated based on this coding system. Data collection for personal property involves maintaining information on PERS (Personal Property System). The type of information in PERS includes personal property such as business inventory, furniture and fixtures, machinery and equipment, cost and location.

Sources of Data

The sources of data collection are through reports of new construction, data review field effort, data mailers, hearings, sales validation field effort, commercial sales verification, newspapers and publications, and property owner correspondence.

Data review of entire neighborhoods is generally a good source for data collection. Appraisers drive entire neighborhoods to review the accuracy of our data and identify properties that have to be re-listed. The sales validation effort in real property pertains to the collection of data of properties that have sold. In residential, the sales validation effort involves on-site inspection by field appraisers to verify the accuracy of the property characteristics data and confirmation of the sales price.

Property owners are one of the best sources for identifying incorrect data that generates a field check. Often, the property owner provides enough data to allow corrections of records without having to send an appraiser on-site. Letters are often sent from property owners notifying the district of inaccurate data. This information is added to a work file and inspected at our earliest convenience.

Data Collection Procedures

Field data collection requires organization, planning and supervision of the field effort. Data collection procedures have been established for residential, commercial and personal property. The appraiser is assigned to conduct field appraisals in Coke County. Appraisers conduct field studies and record information on a personal property data sheet.

The quality of the data is extremely important in establishing accurate values of taxable property. This is one of the main goals of our appraiser.

Data Maintenance

The field appraiser is responsible for the data entry of her fieldwork directly into the computer file. This responsibility includes not only data entry, but also quality assurance.

Individual Value Review Procedures

Field Review

The date of last inspection, extent of that inspection, and CAD appraiser responsible are listed on the CAMA record. If a property owner or jurisdiction dispute the district's records concerning this data during a hearing, via a phone call or correspondence received, CAMA may be altered based on the evidence provided. Typically, a field inspection is requested to verify this evidence for the current year's valuation or for the next year's valuation. Every year a field review of certain areas or neighborhoods in the jurisdiction is done during the data review/re-list field effort.

Office Review

Office reviews are completed on properties where information has been received from the owner of the property. Data mailers, sent in masse, or at the request of the property owner, frequently verify the property characteristics or current condition of the property. When the property data is verified in this manner, field inspections are not required.

Performance Test

In our district the field appraiser is responsible for conducting ratio studies and comparative analysis.

RESIDENTIAL VALUATION PROCESS

Introduction

Scope of Responsibility

The residential valuation appraiser is responsible for developing equal uniform market values for residential approved and vacant property. There are approximately 1,663 residential parcels in Coke County.

Appraisal Resources

- ◆ Personnel – The residential valuation appraisal staff consists of 1 appraiser. This appraiser is responsible for determining residential values. The appraisal district also has a contract with Pritchard & Abbott Inc. to assist in appraising the City of Bronte, City of Robert Lee and Oak Creek area.
- ◆ Data – A common set of data characteristics for each residential dwelling in Coke County is collected in the field and data entered to the computer. The property characteristic data drives the computer-assisted mass appraisal (CAMA) approach to valuation.

Valuation Approach

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, and general trends in real property prices are collected from private vendors and public sources and provide the field appraiser a current economic outlook on the real estate market. Information is gleaned from real estate publications and sources such as continuing education in the form of IAAO and TDLR classes.

Neighborhood and Market Analysis

Neighborhood analysis involves the examination of how physical, economic, governmental and social forces and other influences affect property values. The effects of these forces are also used to identify, classify, and stratify comparable properties into smaller and more manageable subsets of the universe or properties

known as neighborhoods. Residential valuation and neighborhood analysis is conducted on each of the political entities known as ISD's.

The first step in neighborhood analysis is the identification of a group of properties that share certain common traits. A "neighborhood" for analysis purposes is defined as the largest geographic grouping of properties where the property's physical, economic, governmental and social forces are generally similar and uniform. Once a neighborhood has been identified, the next step is to define its boundaries. This process is known as "delineation". Some factors used in neighborhood delineation include location, sales price range, lot size, age of dwelling, quality of construction and condition of dwellings, square footage of living area, and story height. Delineation can involve the physical drawing of neighborhood boundary lines on a map, but it can also involve statistical separation or stratification based on attribute analysis. Part of a neighborhood analysis is the consideration of discernible patterns of growth that influence a neighborhood's individual market. Few neighborhoods are fixed in character. Each neighborhood may be characterized as being in a stage of growth, stability or decline. The growth period is a time of development and construction. As new neighborhoods in a community are developed, they compete with existing neighborhoods. An added supply of new homes tends to induce population shift from older homes to newer homes. In the period of stability, the forces of supply and demand are about equal. Generally, in the state of stability, older neighborhoods can be more desirable due to their stability of residential character and proximity to workplace and other community facilities. The period of decline reflects diminishing demand or desirability. During decline, general property use may change from residential to a mix of residential and commercial uses. Declining neighborhoods may also experience renewal, reorganization, rebuilding or restoration, which promotes increased demand and economic desirability.

Neighborhood identification and delineation is the cornerstone of the residential valuation system at the district. All the residential analysis work done in association with the residential valuation process is the neighborhood specific. Neighborhoods are field-inspected and delineated based on observable aspects of homogeneity. Neighborhood delineation is periodically reviewed to determine if further neighborhood delineation is warranted. Whereas neighborhoods involve similar properties in the same location, a neighborhood group is simply defined as similar neighborhoods in similar locations. Each residential neighborhood is assigned to a neighborhood group based on observable aspects of homogeneity between neighborhoods. Neighborhood grouping is highly beneficial in cost-derived areas of limited or no sales, or used in direct sales comparison analysis.

Neighborhood groups increase the available market data by linking comparable properties outside a given neighborhood. Sales ratio analysis is performed on a neighborhood basis.

Valuation and Statistical Analysis

Cost Schedules

All residential parcels in the district are valued from identical cost schedules using a comparative unit method. The district's residential cost schedules, originally adopted from a private mass appraisal firm, have been customized to fit Coke County's local residential building and labor market. The cost schedules are reviewed regularly as a result of state legislation requiring that the appraisal district cost schedules be within a range of plus or minus 10% from nationally recognized cost schedules.

The city lots schedules had not been updated in several years. All city lot schedules were adjusted per areas.

Sales Information

Residential improved and vacant sales are collected from a variety of sources, including: District questionnaires sent to buyer and seller, field discovery, protest hearings, MLS, various sale vendors and realtors. A system of type, source, validity and verification codes was established to define salient facts related to a property's purchase or transfer. Neighborhood sales reports are generated as an analysis tool for the appraiser in the development of value estimates.

Statistical Analysis

The residential appraiser performs statistical analysis to evaluate whether values are equitable and consistent with the market. Ratio studies are conducted to determine the level of uniformity of value. These studies include the weighted mean, median, standard deviation, coefficient of variation, and coefficient of dispersion provide the appraiser a tool to which to determine both level and uniformity of appraised value.

Every neighborhood is reviewed by the appraiser through the sales ratio analysis process. The first phase compares the recent sales prices of properties to the appraised values of the sold properties. This set of ratio studies afford the

appraiser an excellent means of judging the present level of appraised value and uniformity of the sales. Based on the sales ratio statistics the appraiser makes a preliminary decision as to whether the value level in a neighborhood needs to be updated in an upcoming reappraisal, or whether the level of market value is at an acceptable level.

Treatment of Residential Homesteads

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

- ◆ the market value; or
- ◆ the preceding year’s appraised value;
Plus 10% for each year since the property was reappraised;
Plus the value of any improvements added since the last reappraisal.

Values of capped properties must be computed annually. If a capped property sells, the cap automatically expires as of January 1st of the following year. In that following year, that home is reappraised at its market value to bring its appraisal into uniformity with other properties. Homestead applications are sent to new owners with a local mailing address at the time of ownership transfer.

Individual Value Review Procedures

Field Review

The appraiser identifies individual properties in critical need of field review through sales and ratio analysis. Sold properties with a high variance in sales ratios are field reviewed as soon as possible to check for accuracy of data characteristics.

Office Review

Valuation reports comparing previous values against proposed and final values are generated for all residential improved and vacant properties. The dollar amount and percentage of value difference are noted for each property allowing the

appraiser to identify, research and resolve value anomalies before final appraised values are released. Previous values resulting from a hearing protest are individually reviewed to determine if the value remains appropriate for the current year.

Once the appraiser is satisfied with the level and uniformity of value for each neighborhood within his area of responsibility, the estimates of value go to noticing.

Commercial Valuation Report

A drive by is performed on our commercial properties in Coke County but we do not have sales to perform ratio studies.

Industrial Valuation Process

Coke County CAD contracts with Pritchard & Abbott Inc for our industrial and mineral appraisals.

Business Personal Property Valuation Process

Introduction

Appraisal Responsibility

There are four different personal property types appraised by the district's personal- property section: Business Personal Property accounts; Leased Assets; Vehicles and Multi-Location Assets. There are approximately 169 business personal property accounts in Coke County.

- ◆ Personnel – The personnel staff consists of 1 appraiser.

Sources of Data

Business Personal Property

The district's property characteristic data was originally received from Coke County taxing units records in 1982, and where absent, collected through a massive field data collection effort by the district over a period of time. Tax

Assessors, city and local newspapers, and the public often provide the district with information regarding new personal property.

Vehicles

Property owners usually provide vehicle information through renditions and the district performs field inspections.

Depreciation Schedule and Trending Factors:

Coke CAD's primary approach to the valuation of business personal property is the cost approach. The replacement cost new (RCN) is developed from the property owner reported historical cost.

SPECIAL DATES IN 2021

January 2021	Taylor CAD published taxpayer and protest information Taylor CAD published Tax payers Information in newspaper
April 20, 2021	RE, BPP, and MH NAV were mailed
May 5, 2021	Mailed estimated values to jurisdictions
May 5, 2021	Mailed mineral notices
May 11, 2021	Chief Appraiser submitted the appraisal records to the Appraisal Review Board
June 9, 2021	Mailed hearing notices
June 8, 2021	Presented proposed 2022 budget to BOD
June 25, 2021	First Protest Hearings
July 15, 2021	ARB meeting – Values certified for 2021
July 26, 2021	Emailed to all taxing units and tax office: 2021 certified values, allocation of payments, 2022 budget, sent certified values to overlapping counties.
September 14, 2021	BOD held budget hearing and adopted the 2022 appraisal budget
October 14, 2021	Ag Advisory Board annual meeting

APPRAISAL ACTIVITY FOR 2022 TAX YEAR

July 22, 2021	Aerials Sectors A1, A2, A3
July 23, 2021	Aerials Sector B1
July 26, 2021	Aerials Sectors B1, B2, B3
July 27, 2021	Aerials Sectors B3, C1
July 28, 2021	Aerials Sectors C1, C2, C3
July 29, 2021	Aerials Sector C3
Aug. 2-6, 2021	Aerials Sectors C3, D1, D2, D3, E1, E2
Aug 9-13, 2021	Aerials Sectors E2, E3
Aug 16 – 20, 2021	AF Hammond, JJS, Arrowhead Point, King Subd., Holland Properties, Cedar Cove #1 Land Only
Aug 23-27, 2021 - Land Only	Cedar Cove #2, #3, #4, Pecan Springs Ranch, Edith Est I
Aug 30-31, 2021	Edith Est I and II
Sept 1-3, 2021 Youngblood	Edith Est II, Lake Vista, Meadow View, Paint Creek, J A
Sept 7-10, 2021	J A Youngblood, Lake Side Est., Burnsco, Circle R, Bayview Est., Lake Spence Est
Sept 13-17, 2021	Lake Spence Est., Simpson Subd., Coke Cuntly Acres, Townview Est., Sanco
Sept 20-24, 2021	Sector E3
Sept 27-30, 2021	Sectors E3, E1

October 2021	P&A Began re-appraisal of City of Bronte, City of Robert Lee and Oak Creek area
October 2021	Aerials Sectors E2, D1, D2, D3, C1, C2, C3, B1, B2
November 2021	Aerials Sectors B2, B3, A1, A2, A3, E3, Field Work E3, Lake Subd.
December 2021	Field Work Cedar Cove, Edith Estates, 3 Lake Subd.
January 2022	Field work E3, Bayview and Edith Estates
February 2022	Field work B1, B2, B3
March 2022	Field work E1,E3, JA Youngblood, Arledge Ranch, Townview, Edith Estates, Bayview Estates, D3 and E3

Certification Statement

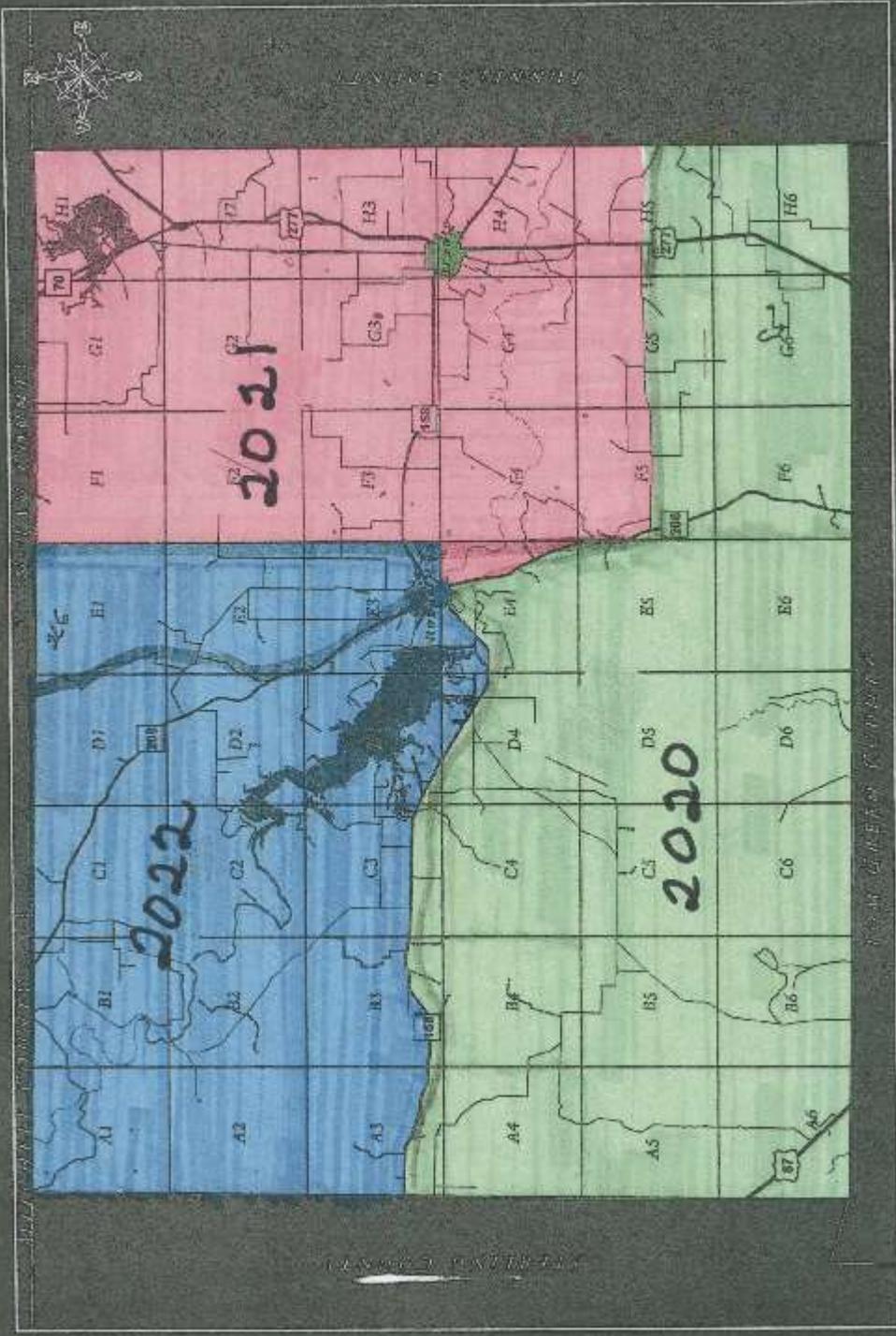
“I, Gayle Sisemore, Chief Appraiser for the Coke County Appraisal District, solemnly swear that I have made or caused to me made a diligent inquiry to ascertain all property in the district subject to appraisal by me, and that I have included in the records all property that I am aware of at an appraised value which, to the best of my knowledge and belief, was determined as required by law.”

Gayle Sisemore, Chief Appraiser

July 1, 2022

CVCOG 9441

COKE COUNTY, TEXAS



0 5 10 20 30 MILES