

LUBBOCK CENTRAL APPRAISAL DISTRICT

2023-2024 REAPPRAISAL PLAN



2022 APPRAISAL REPORT

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
SUMMARY	1
Market Value Appraisal Required	1
State Administration	1
Local Administration	2
The Written Plan	3
Plan for Periodic Reappraisal	3
REAPPRAISAL PLAN - REVALUATION	4
Tax Year 2023	4
Tax Year 2024	4
Performance Analysis	4
Ratio Study Results	4
Appraisal Accuracy and Uniformity	5
Analysis of Available Resources	5
Staffing	5
Existing Practices	5
Information Systems	5
Existing data and maps	6
Planning and Organization	7
Calendar of Key Events – 2023	7
Calendar of Key Events – 2024	15
Target Completion dates – 2023	20
Target Completion dates – 2024	22

Mass Appraisal System	24
Data Collection Requirements by Tax Year	25
New Construction/Demolition/Remodeling	25
Re-inspection of problematic market areas	25
Re-inspection of universe of properties on at least a Three year cycle	25
Field or Office verification of sales data and property characteristics	26
Pilot Study by Tax Year	27
Valuation by Tax Year	27
Residential Real Property	28
Identifying properties to be appraised	28
Identifying and updating relevant characteristics of each property in the appraisal records.	28
Defining market areas in the district	28
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	29
Comparison and Review	29
Special Inventory Residential Property	30
Identifying properties to be appraised	30
Identifying and updating relevant characteristics of each property in the appraisal records.	30
Defining market areas in the district	30
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	30
Comparison and Review	31

Multifamily Residential Property	32
Identifying properties to be appraised	32
Identifying and updating relevant characteristics of each property in the appraisal records.	32
Defining market areas in the district	32
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	32
Comparison and Review	32
Commercial Real Property	33
Identifying properties to be appraised	33
Identifying and updating relevant characteristics of each property in the appraisal records.	33
Defining market areas in the district	33
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	33
Comparison and Review	34
Vacant Real Property	35
Identifying properties to be appraised	35
Identifying and updating relevant characteristics of each property in the appraisal records.	35
Defining market areas in the district	35
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	35
Comparison and Review	35
Industrial Real Property	36

Identifying properties to be appraised	36
Identifying and updating relevant characteristics of each property in the appraisal records.	36
Defining market areas in the district	36
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	36
Comparison and Review	36
Utility, Railroad and Pipeline Property	37
Identifying properties to be appraised	37
Identifying and updating relevant characteristics of each property in the appraisal records.	37
Defining market areas in the district	37
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	37
Comparison and Review	37
Oil and Gas Properties	38
Identifying properties to be appraised	38
Identifying and updating relevant characteristics of each property in the appraisal records.	38
Defining market areas in the district	38
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	38
Comparison and Review	38
Special Valuation Properties	39
Agricultural Use	39

Identifying properties to be appraised	39
Identifying and updating relevant characteristics of each property in the appraisal records.	39
Defining market areas in the district	39
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	40
Comparison and Review	40
Wildlife Management	40
Timber Use	40
Business Tangible Personal Property	41
Identifying properties to be appraised	41
Identifying and updating relevant characteristics of each property in the appraisal records.	41
Defining market areas in the district	41
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	41
Comparison and Review	41
Industrial Tangible Personal Property	42
Identifying properties to be appraised	42
Identifying and updating relevant characteristics of each property in the appraisal records.	42
Defining market areas in the district	42
Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics	42
Comparison and Review	42

<i>THE MASS APPRAISAL REPORT BY TAX YEAR</i>	43
Introduction	43
Scope of Work	43
Personnel Resources	44
Staff Education and Training	44
Data	44
Information Systems	45
Independent Performance Test	45
Appraisal Activities	47
Introduction	47
Appraisal Responsibilities	47
Appraisal Resources	47
Appraisal Frequency and Method Summary	47
Preliminary Analysis	48
Data Collection	48
Sources of Data	49
Data Collection Procedures	50
Data Maintenance	50
Individual Value Review	50
Field Review	50
Office Review	51
Performance Test	51
Land Valuation Process	52
Introduction	52
Scope of Responsibility	52

Appraisal Resources	52
Data	52
Land Analysis	52
Area Analysis	52
Highest and Best Use Analysis	53
Sales Information	53
Residential Valuation Process	54
Introduction	54
Scope of Responsibility	54
Appraisal Resources	54
Data	54
Valuation Approach	54
Area Analysis	54
Neighborhood and Market Analysis	55
Highest and Best Use Analysis	56
Valuation and Statistical Analysis	56
Cost Schedules	56
Sales Information	57
Statistical Analysis	58
Market and Cost Reconciliation and Valuation	58
Residential Homestead Property	60
Individual Value Review	61
Field Review	61
Office Review	61
Performance Tests	62

Sales Ratio Studies	62
Management Review Process	62
Commercial and Industrial Property Valuation Process	63
Introduction	63
Appraisal Responsibility	63
Appraisal Resources	63
Data	63
Preliminary Analysis	64
Market Study	64
Valuation Approach	64
Area Analysis	64
Neighborhood Analysis	64
Highest and Best Use Analysis	65
Market Analysis	65
Data Collection/Validation	66
Data Collection Manuals	66
Sources of Data	66
Valuation Analysis	66
Cost Schedules	67
Income Models	68
Sales Comparison (Market) Approach	70
Final Valuation Schedules	70
Statistical and Capitalization Analysis	70
Individual Value Review Procedures	71
Field Review	71

Office Review	71
Performance Tests	72
Sales Ratio Studies	72
Comparative Appraisal Analysis	73
Business Personal Property Valuation Process	74
Introduction	74
Appraisal Responsibility	74
Data	74
Valuation Approach	74
SIC Code Analysis	74
Highest and Best Use Analysis	74
Data Collection/Validation	75
Data Collection Procedures	75
Sources of Data	75
Valuation and Statistical Analysis	75
Cost Schedules	75
Statistical Analysis	75
Depreciation Schedule and Tending Factors:	76
Computer Assisted Personal Property Appraisal	76
Individual Review Procedures	77
Office Review	77
Performance Tests	77
Ratio Studies	77
Mineral (Oil and Gas Reserves) Valuation Process	78
Introduction	78

Appraisal Responsibility	78
Utility Property Valuation Process	79
Introduction	79
Appraisal Responsibility	79
Limiting Conditions	80
Certification Statement	80

APPENDICES

Appendix **A**

 2023 Adopted Budget

Appendix **B1**

 Notice of Public Hearing

Appendix **B2**

 Board Resolution of Final Approval

Summary

The Lubbock Central Appraisal District has prepared and published this reappraisal plan and appraisal report to provide our property owners and any interested person or organization a comprehensive description of the district's responsibilities and activities required by law.

Market Value Appraisal Required

State Administration

The appraisal of property for property tax purposes is required by the Texas Constitution and statutory law.

Art. VIII. Sec. 1.(b), Texas Const.

“All real and tangible personal property in this State, unless exempt as required or permitted by this Constitution, whether owned by natural persons or corporations, other than municipal, shall be taxed in proportion to its value, which shall be ascertained as may be provided by law.”

Sec. 26.02 Property Tax Code

“The assessment of property for taxation on the basis of a percentage of its appraised value is prohibited. All property shall be assessed on the basis of 100 percent of its appraised value.”

Sec. 23.01 (a) Property Tax Code

“Except as otherwise provided by this chapter, all taxable property is appraised at its market value as of January 1.”

Sec. 5.10 (a) Property Tax Code

“At least once every two years, the comptroller shall conduct a study in each appraisal district”

Sec. 5.102 (a) Property Tax Code

“At least once every two years, the comptroller shall review the governance of each appraisal district, taxpayer assistance provided, and the operating and appraisal standards, procedures, and methodology used by each appraisal district, to determine compliance with generally accepted standards, procedures, and methodology.”

Sec. 5.12 (a) Property Tax Code

“The comptroller shall audit the performance of an appraisal district if one or more of the following conditions exist according to each of two consecutive studies conducted by the comptroller under Section 5.10, regardless of whether the prescribed condition or conditions that exist are the same for each of those studies:

- (1) The overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal is less than 0.75;
- (2) The coefficient of dispersion around the overall median level of appraisal of the properties used to determine the overall median level of appraisal

- for all property in the district for which the comptroller determines a median level of appraisal exceeds 0.30; or
- (3) The difference between the median levels of appraisal for two classes of property in the district for which the comptroller determines a median level of appraisal is more than 0.45. ”

Sec. 403.301, Government Code

“It is the policy of this state to ensure equity among taxpayers in the burden of school district taxes and among school districts in the distribution of state financial aid for public education. The purpose of this subchapter is to promote that policy by providing for uniformity in local property appraisal practices and procedures and in the determination of property values for schools in order to distribute state funding equitably.”

Sec. 403.302, Government Code

“(a) The comptroller shall conduct a study using comparable sales and generally accepted auditing and sampling techniques to determine the total taxable value of all property in each school district.”

“(b) In conducting the study, the comptroller shall determine the taxable value of property in each school district.”

Local Administration

Sec. 6.01 Property Tax Code

“(a) An appraisal district is established in each county.

(b) The district is responsible for appraising property in the district for ad valorem tax purposes of each taxing unit that imposes ad valorem taxes on property in the district.

(c) An appraisal district is a political subdivision of the state.”

Sec. 6.03 (a) Property Tax Code

“(a) The appraisal district is governed by a board of directors. Five directors are appointed by the taxing units that participate in the district as provided by this section.”

Sec. 6.05 (c) Property Tax Code

“(c) The chief appraiser is the chief administrator of the appraisal office.”

Sec. 6.05 (e) Property Tax Code

“(e) The chief appraiser may delegate authority to his employees.”

Sec. 23.0101 Property Tax Code

“In determining the market value of property, the chief appraiser shall consider the cost, income, and market data comparison methods of appraisal and use the most appropriate method.”

Passage of S.B. 1652 amended the Property Tax Code to require a written biennial reappraisal plan. The following details the changes to the Property Tax Code:

The Written Plan

Section 6.05, Property Tax Code, is amended by adding Subsection (i) to read as follows:

- (i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of 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.

Plan for Periodic Reappraisal

Subsections (a) and (b), Section 25.18, Property Tax Code, are amended to read as follows:

- (a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05 (i).
- (b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years:
 - (1) Identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;
 - (2) Identifying and updating relevant characteristics of each property in the appraisal records;
 - (3) Defining market areas in the district;
 - (4) Identifying property characteristics that affect property value in each market area, including:
 - (A) The location and market area of the property;
 - (B) Physical attributes of property, such as size, age, and condition;
 - (C) Legal and economic attributes; and
 - (D) Easements, covenants, leases, reservations, contract, 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.

Revaluation Decision

The Lubbock CAD by policy adopted by the Board of Directors reappraises all property in the district each year. The reappraisal year is a complete appraisal of all properties in the district. Tax years 2023 and 2024 are both reappraisal years.

Tax Year 2023

Appraised, assessed, and taxable values shall be determined as of January 1, 2023 as required by the Constitution and statutes of the State of Texas.

Tax Year 2024

Appraised, assessed, and taxable values shall be determined as of January 1, 2024 as required by the Constitution and statutes of the State of Texas.

Performance Analysis

In each tax year 2023 and 2024 the previous tax year's equalized values are analyzed with ratio studies and/or comparison reports to determine overall appraisal accuracy and appraisal uniformity. Additional reports are conducted using state property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* published by the International Association of Assessing Officers. Mean, median, and weighted mean ratios along with standard deviation, coefficient of dispersion, coefficient of variation and price-related differential are calculated for properties in each reporting category by neighborhood or market area to measure the level of appraisal.

Ratio Study Results

The primary tool used to measure mass appraisal performance is the ratio study. A ratio study compares appraised values to market prices. In a ratio study, market values (value in exchange) are typically represented with a range of sale prices, i.e. a sales ratio study. Independent and expert appraisals may also be used to represent market values in a ratio study, i.e. an appraisal ratio study. If there are not enough examples of market price to provide necessary representativeness, independent appraisals can be used as indicators of market value. This can be particularly useful for Commercial or Industrial real property for which sales are limited. In addition, appraisal ratio studies can be used for properties statutorily not assessed (taxed) at market value, but reflective of a use-value requirement. Examples of this are multi-family housing projects subject to subsidized rent provisions or other governmental guarantees as provided by constitutionally authorized legislative statutes (affordable housing) or, agricultural lands to be appraised on the basis of productivity value.

Appraisal Accuracy and Uniformity

Appraisers perform ratio studies and comparative analysis. Ratio studies are conducted on properties located within defined neighborhoods or districts by field and supervisory appraisal staff. The sale ratio and comparative analysis of sale property to appraised property forms the basis for determining the level of appraisal and market influences and factors for the neighborhood. This information is the basis for updating property valuation for the area of property to be appraised. Appraisers, in many cases, may conduct field inspections to confirm the accuracy of the property descriptions at the time of sale for this study. This inspection is to ensure that the ratios produced are accurate for the property sold and that appraised values utilized in the study are based on accurate property data characteristics observed at the time of sale. Property inspections are also performed to discover if property characteristics had changed as of the sale date or subsequent to the sale date. Sale ratios should be based on the value of the property as of the date of sale; not after a subsequent or substantial change was made to the property after the negotiation and agreement to price was concluded. Properly performed ratio studies are a good reflection of the level of appraisal for the district.

Analysis of Available Resources

Staffing

Staffing and budget requirements for tax year 2023 will be detailed in the 2023 appraisal district budget, as adopted by the board of directors. A 2023 budget is attached to the written biennial plan. This reappraisal plan reflects the available staffing in tax year 2023 and the anticipated staffing for tax year 2024. Staffing will impact the cycle of real property re-inspection and personal property on-site review that can be accomplished in the 2023-2024 time period.

Existing Practices

Existing appraisal practices, which are continued from year to year, are identified and methods utilized to keep these practices current are specified. Real property appraisal depreciation tables and cost new tables are tested against verified sales data to ensure they represent current market data. The cap rate study by Commercial real property type is updated from current market data and market rents are reviewed and updated from local and area published data. Personal property density schedules are tested and analyzed based on renditions and prior year hearing documentation.

Information Systems

Information Systems (IS) support is detailed with year specific functions identified and system upgrades scheduled. Computer generated forms are reviewed for revisions based on year and reappraisal status. Legislative changes are scheduled for completion and testing. Refer to the incorporated budget for information systems upgrades. Reserve funds are also used when required due to rapid changes in available technology and unfunded state mandates.

Existing data and maps

Existing maps and data requirements are specified and updates are scheduled. For the public, Lubbock CAD maintains, updates, and offers several different ways of accessing our GIS data. The public has access to the District's web mapping application through computers in the public access area and to the GIS data through the Internet. The Mapping and GIS Department will continue for 2023-2024 to collect State Plane for section corners from recorded deeds and coordinates are also collected from new plats in the City of Lubbock. The District's current aerial photos were flown during the period of January 1st through January 24th, 2022. Currently aerials are done in December of each odd numbered year or January of the subsequent even numbered year. The District will continue to use Pictomerty's ChangeFinder to discover properties in rural areas and/or areas that are not scheduled for an annual redrive.

Planning and Organization

Calendar of Key Events – 2023 Appraisal

2022

- July
- 26 - Chief Appraiser begins finalizing the 2023 and 2024 Reappraisal Plan (BOD approval by 9/15).
 - 23 - All field appraisers begins preparation of the 2023 re-drive
 - 30 – Create the 2023 CAMA working File. (IT)
- August
- 1 - Review property changes made during informal and formal hearings in 2022 by each appraiser. (All real and personal property coordinators and field appraisers).
 - 3 - Secretary of the Board of Directors delivers to the presiding officer of the governing body of each taxing entity participating in the district written notice of the date, time and location of the public hearing to consider the 2023-2024 Reappraisal Plan.
 - 17 - Begin re-inspection of Residential real property in Lubbock Cooper and South Lubbock ISD's. (Residential Coordinator and field appraisers).
 - Begin re-inspection of all Agricultural appraised land in New Deal, Shallowater, and Frenship ISD's. (Land Appraisers).
 - Begin field work on new business personal property. (BPP Appraisers.)
 - Begin re-inspection on real Commercial and Industrial properties in West Lubbock ISD, New Deal, and Abernathy (Commercial Coordinator and Commercial Appraisers)
 - 24 - Regular Board of Directors' meeting. Appraisal District Board of Directors adopt 2023 Appraisal District budget. Hold public hearing for the adoption of the 2023-2024 Re-Appraisal Plan (Code date September 15th)
 - 25 - Regular Appraisal Review Board Meeting.
- September
- 6 - Begin mid-year ratio studies by category in each neighborhood including each school district. Identify areas to be re-inspected and adjustments to be made. (Chief Appraiser & Data Analyst)
 - 10 - Begin re-inspection of Business Personal Property accounts BPP section 3 (Lubbock Cooper and Frenship ISD's). (BPP Appraisers.)
 - 14 - All omitted property supplements complete for 2022.
 - 22- Regular Appraisal Review Board Meeting
 - 28 - Regular Board of Directors Meeting.

- October
- 7 - Mail 2022 tax statements.
 - Certify TIF District totals to City of Lubbock CBD and North Overton. (Chief Appraiser).
 - Update litigation file with new and settled suits. (Chief Appraiser)
 - 13 - Review all forms and renditions for changes. (Information Services and Chief Appraiser).
 - Order outside manuals, listings, price guides for 2023. (Appraisal Administrative Assistant)
 - 15 - Deadline for Comptroller Property Value Reports. (Chief Appraiser/Administrator)
 - 26 - Regular Board of Directors Meeting
 - 27 - Regular Appraisal Review Board Meeting
 - 31 - Completion of re-inspection of Residential real property in designated areas. (Residential Appraisers)
 - Completion of re-inspection of Commercial properties in designated areas. (Commercial Appraisers)
 - Completion of re-inspection of Agricultural land in designated areas. (Land Appraisers)
- November
- 1 - Begin field work on real property new construction, omitted property and partial completions. (Residential Coordinator and Residential Appraisers.)
 - Begin field work on Commercial and Industrial new construction, omitted property and partial completions. (Commercial Coordinator and Commercial Appraisers.)
 - Completion of re-inspection of business personal property accounts in designated areas. (BPP Appraisers)
 - 4 - Additional field work on any new Business Personal Property accounts added after 09/01/2022. (BPP Appraisers)
- December
- 5 - Mail tax value factor and declarations to existing accounts with blank declaration and tax statements. (Personal Property Coordinator)
 - Mail letters to warehouses for client information. (Personal Property Coordinator)
 - Finalize rendition formats for 2023. (Personal Property Coordinator)
 - Mail homestead applications for sales through October 31st. (Information Services)
 - 7 - Combined November/December Board of Directors meeting.

- 8 - Combined November/December Appraisal Review Board meeting.
- 30 - Completion of field work on real property new construction, omitted property and partial completions. (Residential Coordinator and Residential Appraisers.)

2023

January

- 1 - Date which determines 2023 taxable value and exemption status. (Sec. 23.01)
- 3 - Begin re-driving of all real property sales that occurred 01/01/2022 through 12/31/2022.
 - Begin review of real property cost and depreciation tables. (Chief Appraiser and Real Property Coordinators).
 - Mail questionnaires for agricultural information for crop year 2021. (Land Appraisers)
 - Mail abatement applications to qualified property owners. (Executive Assistant to the Chief Appraiser)
 - Mail 2023 renditions. (Information Services)
 - Mail homestead applications. (Information Services)
 - Begin re-inspection of approximately 1,600 personal property mobile homes in mobile home parks. (BPP Appraisers)
- 25 - Regular Board of Directors meeting.
 - Publication of rendition, market value, and open space notices. (Administration).
 - Begin working renditions on business personal property accounts.
- 26 - Regular Appraisal Review Board meeting.
- 31 - Completion of field work on Commercial and Industrial new construction, omitted property and partial completions. (Commercial Coordinator and Commercial Appraisers.)
 - Mail Sales Survey letters for Commercial Sales. (Chief Appraiser and Appraisal Technician)
 - Comptroller certifies preliminary school district taxable value from 2022 Property Value Study.
 - Deadline for Chief Appraiser to deliver applications for productivity valuation, exemptions requiring annual application, and mobile home homestead exemptions to prior year recipients. (Information Services)
 - Deadline for 2022 25.25 (d) and (h) motions.

- February
- 1 - Begin review of Comptrollers' Property Value Study.
 - Deadline for special inventory declaration from dealers.
 - Completion of new business personal property accounts.
 - 5 - Mail reminder notices to special inventory dealers who have not filed declarations
 - 15 - Regular Board of Directors Meeting
Completion of testing and updates for depreciation and cost new improvement tables. (Chief Appraiser and Data Analyst)
 - 16 - Regular Appraisal Review Board meeting.
 - 17 - Receive auto roll from outside vendor.
 - Review tender of levy on appraisal lawsuits. (Sec. 42.08) (Executive Assistant to the Chief Appraiser)
 - Second publication of rendition, market value, and open space notices. (Administration)
 - Deadline for real property splits and new accounts for 2023.
 - Completion of re-inspection of mobile homes in mobile home parks. (BPP Appraisers)
 - 28 - Completion of re-drive of real property sales. (Residential and Commercial Appraisers)
- March
- 1 - Begin reviewing ratio studies by NBHDs for adjustments for 2023. (Residential Coordinator and Residential Appraisers).
 - Prepare 2023 Abatement files update exemption amounts.
 - Residential Inventory values finalized and entered. (Land Appraisers).
 - Agricultural value tables changed and recalculated. (Commercial Coordinator and Land Appraisers)
 - 4 - Auto roll completed and entered. (BPP Appraisers).
 - 10 - Begin review of renditions and decreased value reports.
 - 13 - Deadline for school and appraisal districts to file written appeal of preliminary 2022 Property Value Study Results.
 - 17 - Preliminary 2024 Budget forecast packets distributed to division management
 - 20 - Submit appraisal notice changes to outside vendor.
 - All projects complete with recommendations. Results entered to CAMA system.
 - Mail dealer non-compliance list to respective authority on special inventory accounts. (Personal Property Coordinator).

- Business Personal new businesses complete. (BPP Appraisers).
- 22 - Completion of all NHBD and/or improvement adjustments.
 - Last day for real property changes to be entered.
 - Deadline for updating agricultural land value tables.
 - Deadline for updates to multi-family income tables.
 - Deadline for auto roll accounts to be loaded in system.
 - Real new construction and partial completes to data entry.
 - All data entry complete.
- 29 - Regular Appraisal Review Board Meeting
- 30 - Regular Board of Directors' meeting
- April
 - 1 - Statutory date (or as soon thereafter as practicable) for the Chief Appraiser to send notices of appraised value on single family Residential homesteads.
 - 3 - Mail 25.19 Appraisal Notices for all single family properties. (Information Services).
 - 4 - Informal hearings begin. (Or as soon as Notices of Appraised Value are mailed)
 - 17 - Deadline for property owners to file renditions, information reports, and decreased value reports unless extension request in writing filed by this date.
 - 24 - CAMA system locked for preliminary totals.
 - 26 - Regular Board of Directors meeting.
 - 28 - All Business Personal Rendition and requested extensions enter into CAMA system. (All BPP Appraisers)
 - Chief Appraiser delivers "Estimate of Total Taxable Value" to each taxing entity.
 - Deadline for numerous reports to be filed by property owners. (Exemptions, ag-use, Freeport etc).
- May
 - 1 - Mail notices for denial of exemptions or special valuation.
 - Publish Notice of Protest procedures.
 - Mail Appraisal Notices. (Second run) (Commercial & Personal Property)
 - Chief Appraiser submits appraisal records to the Appraisal Review Board.
 - Appraisal Review Board hearings begin (May 1st thru July 16th)
 - 15 - Deadline for rendition extensions granted on regulated utility and mineral properties.

- Protest deadline for Residential appraisal notices. Or 30 days after a notice was delivered whichever is later.
 - Deadline for rendition extensions granted, except for regulated utility and mineral properties. (Sec. 22.23 (b)) (Personal Property Coordinator)
 - Add rendition penalty to all accounts without rendition or extension request received.
 - Review un-rendered business personal property account with penalty.
 - Process and verify accounts appraised by Capitol Appraisal Group, Inc. (Mineral and 152 Utility File)
 - 2024 Budget forecast packets due to Chief Appraiser
 - First draft of 2024 budget finalized.
 - Process, load and balance Capitol Appraisal Group Industrial File.
- 24 - Regular Board of Directors meeting.
- Completion of renditions filed with no extensions.
- June 2 - Mail Appraisal Notices. (Third run) (Personal Property)
- 14 - Chief Appraiser mails 2024 Proposed Budget to each taxing entity and each appraisal district board member.
- 28 - Regular Board of Directors meeting.
- July 3 - Deadline for Comptroller’s “Test PTAD file submission” (optional)
- Secretary of the Board of Directors delivers to the presiding officer of the governing body of each taxing entity participating in the district written notice of the date, time and location of the public hearing to consider the 2024 Appraisal District Budget.
- Publish notice of public hearing for 2024 Proposed Budget.
- 14 - Appraisal Review Board hearings end.
- All data entry completed and proofed.
 - CAMA system locked for totals.
 - Completion of all renditions granted extensions.
 - Appraisal Review Board approves the 2023 appraisal records.
- 25 - Chief Appraiser certifies appraisal rolls to each taxing unit.
- 26 - Regular Board of Directors meeting
- Public hearing on 2024 proposed Budget
- Create 2023 Certified Appraisal Roll

- Create 2024 CAMA working file. (IT)
 - All field appraisers begin preparations of the 2024 re-drive. Review property changes made during informal and formal hearings in 2023 by each appraiser. (Real and BPP Coordinators and Appraisers).
- August
- 7 - Calculate tax rates of applicable taxing units.
 - Begin re-inspection of Residential properties in Shallowater, Frenship, Abernathy, and New Deal ISD's. (Residential Appraisers)
 - Begin re-inspection on real Commercial and Industrial properties in East Lubbock ISD, Idalou, Roosevelt, and Slaton ISD's. (Commercial Coordinator and Commercial Appraisers).
 - Begin field work on new business personal property. (BPP Appraisers)
 - Begin re-inspection of all Agricultural appraised land in Lorenzo, Idalou, Roosevelt, and Abernathy ISD's. (Land Appraisers)
 - 23 - Regular Board of Directors' meeting. Appraisal District Board of Directors adopt 2024 Appraisal District budget (Code date September 15th).
 - 24 - Regular Appraisal Review Board Meeting.
 - 30 - Begin ratio studies by category in each neighborhood including each school district. Identify areas to be re-inspected and adjustments to be made. (Residential Coordinator and Residential Appraisers)
- September
- 1 - Begin re-inspection of Business Personal Property accounts in BP 2 and BP 4 (BPP Appraisers)
 - 15 - All omitted property supplements complete for 2023.
 - 27 - Regular Board of Directors Meeting.
 - 28 - Regular Appraisal Review Board Meeting.
- October
- 9- Mail 2023 tax statements.
 - Certify TIF District totals to City of Lubbock CBD, LBP and North Overton. (Chief Appraiser/Administrator).
 - Update litigation file with new and settled suits. (Chief Appraiser)
 - Review all forms and renditions for changes. (Information Services and Chief Appraiser).
 - Order outside manuals, listings, price guides for 2024. (Appraisal Administrative Assistant)
 - Deadline for Comptroller Property Value Reports. (Chief Appraiser/Administrator)
 - 25 - Regular Board of Directors Meeting.

- 26 - Regular Appraisal Review Board Meeting
- 27 - Completion of re-inspection of Residential property in designated areas. (Residential Appraisers)
 - Completion of re-inspection of business personal property accounts in designated areas.
 - Completion of re-inspection of Commercial properties in designated areas.
 - Completion of re-inspection of Agricultural land in designated areas
- November 1 - Begin field work on real property new construction, omitted property and partial completions. (Residential Coordinator and Residential Appraisers).
 - Begin field work on Commercial and Industrial new construction, omitted property and partial completions. (Commercial Appraisers.)
- December 6 - Combined November/December Board of Directors meeting.
- 7 - Combined November/December Appraisal Review Board meeting.
 - Mail tax value factor and declarations to existing accounts with blank declaration and tax statements. (BPP Coordinator)
 - Mail letters to warehouses for client information. (BPP Appraisers)
- 10 - Finalize rendition formats for 2024. (Personal Property Coordinator)
 - Request updated special inventory dealer list from appropriate state agency. (BPP Coordinator)
 - Mail homestead applications for sales through October 31st. (Information Services)
- 31 - Completion of field work on Residential new construction, omitted property and partial completions. (Residential Coordinator and Residential Appraisers)
 - Completion of field work on Commercial and Industrial new construction, omitted property and partial completions. (Commercial Appraisers.)
 - Completion of field work on new business personal property. (BPP Appraisers.)

2024

- January
- 1 - Date which determines 2024 taxable value and exemption status. (Sec. 23.01)
 - 5 - Begin re-inspection of approximately 1,600 personal property mobile homes in mobile home parks. (BPP Appraisers)
 - Begin review of Real property cost and depreciation tables. (Chief Appraiser and Residential Coordinator)
 - Begin re-inspection of all real property sales that occurred 01/01/2023 through 12/31/2023
 - Mail questionnaires for agricultural information for crop year 2022. (Land Appraisers)
 - Mail abatement applications to qualified property owners. (Executive Assistant to the Chief Appraiser)
 - Mail 2024 renditions. (Information Services)
 - Mail homestead applications. (Information Services)
 - 24 - Regular Board of Directors meeting.
 - 25 - Regular Appraisal Review Board meeting.
 - 31 - Publication of rendition, market value, and open space notices. (Administration).
 - Deadline for 2023 25.25 (d) and (h) motions.
 - Comptroller certifies preliminary school district taxable value 2023 Property Value Study.
 - Deadline for Chief Appraiser to deliver applications for productivity valuation, exemptions requiring annual application, and mobile home homestead exemptions to prior year recipients. (Information Services)
 - Completion of new business personal property accounts.
- February
- 1 - Begin review of Comptrollers' Property Value Study.
 - Begin review of renditions and decreased value reports.
 - Deadline for special inventory declaration from dealers.
 - Begin working renditions on business personal property accounts.
 - 5 - Mail reminder notices to special inventory dealers who have not filed declarations
 - 14 - Regular Board of Directors meeting.
 - 19 - Receive auto roll from outside vendor.

- Review tender of levy on appraisal lawsuits. (Sec. 42.08) (Executive Assistant to the Chief Appraiser)
- 22 - Regular Appraisal review Board meeting
- 28 - Completion of testing and updates for depreciation and cost new improvement tables.
 - Second publication of rendition, market value, and open space notices. (Administration)
 - Deadline for real property splits and new accounts for 2024.
 - Completion of re-inspection of mobile homes in mobile home parks.
 - Complete re-drive of real property sales
 - Begin reviewing ratio studies by NBHD for adjustments for 2024. (Residential Coordinator and Residential Appraisers).
- March
 - 4 - Prepare 2024 Abatement files update exemption amounts.
 - 8 - Residential Inventory values finalized and entered. (Land Appraisers).
 - 11 - Deadline for school and appraisal districts to file written appeal of preliminary 2023 Property Value Study Results.
 - Agricultural value tables changed and recalculated. (Commercial / Land Coordinator and Land Appraisers)
 - 18 - Preliminary 2025 Budget forecast packets distributed to division management
 - Submit appraisal notice changes to outside vendor.
 - All projects complete with recommendations. Results entered to CAMA system.
 - 22 - Deadline for updating agricultural land value tables.
 - Deadline for updates to multi-family income tables.
 - Deadline for auto roll accounts to be loaded in system.
 - Real new construction and partial completes to data entry.
 - Last day for real property changes to be entered.
 - Completion of all NHBD and/or improvement adjustments.
 - 27 - Regular Board of Directors Meeting
 - 28 - Regular Appraisal Review Board meeting
 - Mail dealer non-compliance list to respective authority on special inventory accounts. (Personal Property Coordinator).
 - Business Personal new businesses complete. (All BPP Appraisers).

- April
- 1 - Statutory date (or as soon thereafter as practicable) for the Chief Appraiser to send notices of appraised value on single family Residential homesteads.
 - Mail 25.19 Appraisal Notices for all single family properties. (Information Services).
 - 2 - Informal hearings begin. (Or as soon as Notices of Appraised Value are mailed)
 - 12 - Mail 25.19 Appraisal Notice on all other Real Property
 - 15 - Deadline for property owners to file renditions, information reports, and decreased value reports unless extension request in writing filed by this date
 - 22 - CAMA system locked for preliminary totals.
 - Generate various reports for proofing.
 - 24 - Regular Board of Directors meeting.
 - 26 - All Business Personal Renditions and extensions requested entered into CAMA system. (All BPP Appraisers)
 - 30 - Chief Appraiser delivers "Estimate of Total Taxable Value"
- May
- 1 - Deadline for numerous reports to be filed by property owners. (Exemptions, ag-use, Freeport etc).
 - Deadline to file exemption application for vehicle used for personal use and income producing activity
 - Publication of Notice of Protest procedures. (Administration)
 - Mail notices for denial of exemptions or special valuation.
 - Mail Appraisal Notices. (second run) (Commercial & Personal Property)
 - Review un-rendered business personal property account with penalty.
 - 6 - Appraisal Review Board hearings begin (May 6th thru July 12th)
 - Chief Appraiser submits appraisal records to the Appraisal Review Board.
 - Process and verify accounts appraised by Capitol Appraisal Group, Inc.
 - 2025 Budget forecast packets due to Chief Appraiser.
 - First draft of 2025 budget finalized.
 - 15 - Protest deadline for Residential appraisal notices. Or 30 days after a notice was delivered whichever is later.
 - Deadline for rendition extensions granted, including regulated utility and mineral properties. (Sec. 22.23 (b)) (Personal Property Coordinator)

- 16 - Add rendition penalty to all accounts without rendition or extension request received.
- 22 - Regular Board of Directors meeting.
- 23 - Process, load and balance Capitol Appraisal Group Industrial File.
 - Completion of renditions filed with no extensions. (Personal Property)
- June 3 - Mail Appraisal Notices. (third run) (Personal Property)
- 14 - Chief Appraiser mails 2025 Proposed Budget to each taxing entity and each appraisal district board member.
- 26 - Regular Board of Directors meeting.
- July 1 - Deadline for Comptroller’s “Test PTAD file submission” (optional)
 - Secretary of the Board of Directors delivers to the presiding Officer of the governing body of each taxing entity participating in the district written notice of the date, time and location of the public hearing to consider the 2025 Appraisal District Budget.
 - Publish notice of public hearing for 2025 Proposed Budget.
- 12 - Appraisal Review Board hearings end.
 - Appraisal Review Board approves the 2024 appraisal records.
 - Completion of all renditions granted extensions.
 - All data entry completed and proofed.
 - CAMA system locked for totals
- 25 - Chief Appraiser certifies appraisal rolls to each taxing entity.
- 31 - Regular Board of Directors meeting
 - Public hearing on 2025 Proposed Budget
- 31 - Create 2024 Certified Appraisal Roll
 - Create 2025 CAMA working file.
- August 3 - Review Appraisal Review Board changes.
- 5 - Begin re-inspection of Residential properties in Idalou, Roosevelt, Slaton and North Lubbock ISD’s (Residential Appraisers)
 - Begin re-inspection of Real Commercial and Industrial properties in Cooper, Frenship and Shallowater ISD’s. (Commercial Appraisers)

- Begin re-inspection of business personal property accounts in BP 1 (Lubbock ISD). (BPP Appraisers)
 - Begin re-inspection of Agricultural land in Lubbock, Cooper, and Slaton ISD's. (Land Appraisers)
 - Chief Appraiser finalizes 2025 and 2026 Reappraisal Plan. (BOD approval by 9/15)
 - Secretary of the Board of Directors delivers to the presiding officer of the governing body of each taxing entity participating in the district written notice of the date, time and location of the public hearing to consider the 2025 and 2026 Reappraisal Plan.
- 21 - Regular Board of Directors' meeting. Appraisal District Board of Directors adopt 2025 Appraisal District budget. Public hearing and adoption of the 2025 and 2026 Reappraisal Plan. (Code date September 15th).
- 22 - Regular Appraisal Review Board Meeting
- September 3- Begin ratio studies by category in each neighborhood including each school district. Identify areas to be re-inspected and adjustments to be made. (Residential Coordinator and Residential Appraisers)
- 13 - All omitted property supplements complete for 2024.
- 23 - Deliver appraisal roll to Comptroller
- 28 - Regular Board of Directors Meeting.
- 29 - Regular Appraisal Review Board Meeting
- October 1 - Mail Tax Statements.
- 15 - Deadline for Comptroller certified PTAD file submission
- 30 - Regular Board of Directors Meeting
- 31 - Regular Appraisal Review Board Meeting
- November 7 - Begin review of 2025 calendar.
- December 11 - Combined November/December Board of Directors Meeting
- 12 - Combined November/December Appraisal Review Board Meeting.
- 13 - Mail inquiry letters to storage warehouse client information.

Target Completion dates – 2023

2022

- September 14 - All omitted property supplements complete for 2022.
- October 31 - Completion of re-inspection of Residential real property in designated areas (For Tax Year 2023)
- Completion of re-inspection of Commercial properties in designated areas (For Tax Year 2023)
 - Completion of re-inspection of Agricultural land in designated areas (For Tax Year 2023)
 - Completion of re-inspection of Business Personal Property accounts in designated areas (For tax year 2023)
- December 30 - Completion of field work on real property new construction, omitted property and partial completions
- Completion field work on Commercial and Industrial new construction, omitted property and partial completions.

2023

- January 1 - Date which determines 2023 taxable value and exemption status. (Sec. 23.01)
- 31 - Comptroller certifies preliminary school district taxable value from the 2022 Property Value Study.
- Deadline for 2022 25.25 (d) and (h) motions
- February 15 - Completion of testing and updates for depreciation and cost new improvement tables.
- 17- Deadline for real property splits and new accounts for 2023.
- Completion of re-inspection of mobile homes in mobile - home parks.
- March 1 - Begin reviewing ratio studies
- Agricultural value tables changed and recalculated. (Commercial/Land Coordinator and Land Appraisers)
- 4 - Auto roll completed and entered. (BPP Appraisers).
- 13- Deadline for school and appraisal districts to file appeal of preliminary 2022 Property Value Study results.
- 22 - Completion of all NHBD and/or improvement adjustments.
- All projects complete and entered into CAMA system.
 - Business Personal new businesses complete. (All BPP Appraisers).
 - Last day for real property changes to be entered.

- All appraisal data entry complete.
 - Completion of all NBHD and/or improvement adjustments.
 - Deadline for updating agricultural land value tables.
 - Deadline for updates to multi-family income tables.
 - Deadline for auto roll accounts to be loaded in system.
 - Real new construction and partial completes to data entry.
- April
- 1 - Chief Appraiser to send notices of appraised value on Single Family Residential homesteads.
 - 17 - Deadline for property owners to file Renditions
 - 30 - Chief Appraiser delivers "Estimate of Total Taxable Value to each taxing entity.
- May
- 1 - Appraisal Review Board Hearings begin.
 - 15 - Protest deadline for Residential appraisal notices. Or 30 days after a notice was delivered whichever is later.
 - Completion of renditions filed with no extensions.
 - Process, load and balance Capitol Appraisal Group Industrial File.
- June
- 2 - Mail Appraisal Notices(Third run) (Personal Property).
 - 14 - Chief Appraiser mails 2024 Proposed Budget to each taxing unit and each appraisal district board member.
- July
- 1 - Publish notice of public hearing for 2024 Proposed Budget.
 - 25 - Chief Appraiser certifies the Appraisal Roll to the taxing units.
- September
- 13 - All omitted property supplements complete for 2023.

Target Completion dates – 2024

2023

- October 29- Completion of re-inspection of Residential property in designated areas (Residential Appraisers)
- Completion of re-inspection of business personal property accounts in designated areas
 - Completion of re-inspection of Commercial properties in designated areas
 - Completion of re-inspection of Agricultural land in designated areas
- December 31 - Completion of field work on Residential new construction, omitted property and partial completions. (Residential Coordinator and Residential Appraisers)
- Completion of field work on Commercial and Industrial new construction, omitted property and partial completions. (Commercial Appraisers.)
 - Completion of field work on new business personal property. (BPP Appraisers.)

2024

- January 1 - Date which determines 2024 taxable value and exemption status. (Sec. 23.01)
- 31 - Comptroller certifies preliminary school district taxable value 2023 PVS.
- February 28 - Completion of testing and updates for depreciation and cost new improvement tables.
- Deadline for real property splits and new accounts for 2024.
 - Completion of re-inspection of mobile homes in mobile home parks.
 - Deadline for splits and new construction (Mapping Division)
- March 8 - Residential Inventory values finalized and entered.
- Auto roll completed and entered.
- 11 - Deadline for school and appraisal districts to file written appeal of preliminary 2023 Property Value Study results.
- Agricultural value tables changed and recalculated.
 - Business Personal new businesses complete.
- 22 - All projects complete and entered into CAMA system.
- Last day for real property changes to be entered.
 - Deadline for updating agricultural land value tables.
 - Deadline for updates to multi-family income tables.

- Deadline for auto roll accounts to be loaded in system.
 - Real new construction and partial completes to data entry. All projects complete with recommendations.
 - Completion of all NHBD and/or improvement adjustments.
- April
- 1 - Chief Appraiser to send notices on appraised value on single family Residential homesteads.
 - 26- All Business Personal Renditions and extensions requested entered into CAMA system
- May
- 6 - Appraisal Review Board hearings begin.
 - 15 - Deadline for rendition extensions granted on regulated utility and mineral properties.
 - Protest deadline for Residential appraisal notices, or 30 days after a notice was delivered whichever is later.
 - 23 - Process, load and balance Capitol Appraisal Group Industrial File.
- June
- 3 - Mail Appraisal Notices (third run) (Personal Property).
 - 14 - Chief Appraiser mails 2025 Proposed Budget to each of the taxing units and each appraisal district board member.
- July
- 12 - All data entry completed and proofed.
 - 25- Chief Appraiser certifies appraisal rolls to each taxing entity.

Mass Appraisal System

Computer Assisted Mass Appraisal (CAMA) system revisions are specified and scheduled with Information Systems. All computer forms and IS procedures are reviewed and revised as required. The following details these procedures as it relates the 2023 and 2024 tax years.

Real Property Valuation

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

Cost schedules are tested with market data (sales) to insure that the appraisal district is in compliance with Texas Property Tax Code, Section 23.011. Replacement cost new tables as well as depreciation tables are tested for accuracy and uniformity using ratio study results and compared with cost data from recognized industry sources, such as Marshall & Swift.

Land values are updated using current market data (sales) and then tested with ratio study tools. Land to building ratios are reviewed when sufficient sales indicate a consistent ratio to use with similar parcels for a current land value. Land is valued by different units of value such as per acre, square foot, per lot, and front foot.

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, local and regional surveys, publications and information received in the prior year's hearings process. The resulting models are tested using ratio study tools. All apartments and hotels are valued by the income approach with other types of income producing properties when sufficient income and expense data is known.

Personal Property Valuation

Personal Property is appraised using original cost less depreciation models. Depreciation is calculated on the age/life method using typical economic lives and depreciation rates based on published sources, market evidence, and the observed condition. There are many value guides used to estimate values for vehicles, aircraft, trailers and specialty equipment. Confidential renditions filed by property owners are also used for comparison purposes. Valuation procedures are reviewed modified as needed and tested.

Notice Process

The form for 25.19 appraisal notices is reviewed and edited for updates and changes signed off on by appraisal district management. Updates include the latest copy of the Comptroller's *Taxpayers rights, remedies, and responsibilities*, the Appraisal Review Board's Rules and Procedures and a protest form with instructions. Any changes made by the Legislature are acted upon and tested.

Recent legislative changes require the Chief Appraiser to send appraisal notices of appraised values on single-family Residential homesteads by April 1 or as soon thereafter as possible each year. The District mails all Real property notices on April 1st or as soon thereafter as possible. Business Personal property notices are mailed on or about May 1st.

Hearing Process

Protest hearing scheduling for informal and formal Appraisal Review Board (ARB) hearings is reviewed and updated as required. Standards of documentation are reviewed and amended as required. The appraisal district ARB hearing documentation is reviewed and updated to reflect the current valuation process. Production of documentation is tested to ensure compliance with Section 41.67 of the Texas Property Tax Code.

The Appraisal Review Board Rules of Procedure adopted by said board govern the hearing process. A copy of the rules is mailed to each owner or agent protesting a property and available to the public at any time.

Data Collection Requirements by Tax Year

Field and office procedures are reviewed and revised as required for data collection. Activities scheduled for each year include collection of building permits for new construction, demolition and remodeling, re-inspection of problematic market areas, and re-inspection of the universe of properties, occupancy permits, vehicle registration, new sales tax permits, and various outside sources of relevant data. Properties outside permitted areas are scheduled to be re-inspected on an annual basis.

New Construction/Demolition/Remodeling

New construction field and office procedures are identified and revised as required. Permits for new construction and demolition are reviewed from various sources and entered into the CAMA system for active or inactive status. Each appraiser assigned a section or type of property receives appraisal cards and a copy of the permit for a field visit to verify status and completion date. Septic tank installations and electrical hook-ups are handled in the same manner for the rural areas. A review of mechanics liens and deed records can indicate a possible field review is needed.

Remodeling is more difficult to find, but some of the above mentioned items help identify possibilities. The primary identifying process for discovering property that has been remodeled is a neighborhood field inspection. Certain neighborhoods are selected for field inspections each year.

Re-inspection of problematic market areas

Real property market areas, by property classification, are tested for: low or high protest volumes; low or high sales ratios; or high coefficients of dispersion. Market areas that fail any or all of these tests are determined to be problematic. Field or office reviews are assigned to verify and/or correct property characteristic data. Additional sales data is researched and verified. In the absence of adequate market data, neighborhood delineation is verified and neighborhood clusters are identified.

Re-inspection of universe of properties on at least a three year cycle

The International Association of Assessing Officers, *Standard on Mass Appraisal of Real Property* specifies that the universe of properties should be re-inspected on a cycle of four to six years. Section, 25.18 (b) of the Texas Property Tax Code states that “ the plan shall provide for reappraisal of all real property in the district at least once every three years”. Lubbock CAD’s policy is to reappraise all

real property each year and to re-inspect each real parcel at least once every three years. The annual re-inspection requirements for tax years 2023 and 2024 are identified by property type and property classification and scheduled on the key events calendar.

Section 3.3.5 of the (The International Association of Assessing Officers, 2013) *Standard on Mass Appraisal of Real Property* states:

Provided that initial physical inspections are timely completed and that an effective system of building permits or other methods of routinely identifying physical changes is in place, jurisdictions may employ a set of digital imaging technology tools to supplement field re-inspections with a computer-assisted office review. These imaging tools should include the following:

- *Current high-resolution street-view images (at a sub-inch pixel resolution that enables quality grade and physical condition to be verified)*
- *Orthophoto images (minimum 6” pixel resolution in urban/suburban and 12” pixel resolution in rural areas, updated every 2 years in rapid growth areas, or 6-10 years in slow growth areas).*
- *Low level oblique images capable of being used for measurement verification (four cardinal directions, minimum 6” pixel resolution in urban/suburban and 12” pixel resolution in rural areas, updated every 2 years in rapid growth areas or, 6-10 years in slow growth areas).*

Field or Office verification of sales data and property characteristics

Sales information must be verified and property characteristic data captured at the time of sale. The sales ratio tools require that the property that sold must equal the property appraised in order for the statistical analysis results to be valid.

Sales are verified through multiple attempts to acquire a sales price through outside sources, such as appraisers, real estate professionals, buyer and seller. Deeds are reviewed for total consideration and market data letters are mailed to buyers and sellers on a quarterly basis.

Pilot Study by Tax Year

New and/or revised mass appraisal models are tested on randomly selected market areas. These modeling tests (sales ratio studies) are conducted each tax year. Actual test results are compared with anticipated results and those models not performing satisfactorily are refined and retested. The procedures used for model specification and model calibration are in compliance with *Uniform Standards of Professional Appraisal Practice*, STANDARDS RULE 5 and 6.

Valuation by Tax Year

Valuation for each tax year uses market analysis of comparable sales and locally tested cost data and market area specific income and expense data. Valuation models are specified and calibrated in compliance with the supplemental standards from the International Association of Assessing Officers and the *Uniform Standards of Professional Appraisal Practice*. The calculated values are tested for accuracy and uniformity using ratio studies. Performance standards used are those established by the *IAAO Standard on Ratio Studies*. Property values in all market areas are updated each reappraisal year.

RESIDENTIAL REAL PROPERTY

Identifying properties to be appraised:

Residential properties are identified for reappraisal as part of the appraiser's regular assignment through building permits, sales information obtained from various sources, deed information, sewer permits, and new electrical hook-ups, information received from property owners, information from news articles, photographs, maps, aerial photos and other sources.

All Residential properties are scheduled for re-inspections on a regular basis. A typical parcel count for Residential property in any year is 25,000 to 35,000. Re-inspections of Residential properties can create changes to characteristics of a property such as additions, condition and other such changes. These changes will be recorded in the CAMA system and impact the results of ratio studies that will determine the reappraised value of the property.

Re-inspections for 2023 will be all Residential properties in Lubbock Cooper and South Lubbock ISD's. Approximately 36,000 Residential parcels will be updated by field visits or Pictometry aerial photos. The Residential properties in Shallowater, Frenship, Abernathy, and New Deal ISD's will be re-inspected in 2024.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through the inspection process, sales data, permits, deed information, owner descriptions, maps and aerial photos. Subject property data is verified through previous existing records and through published reports. Each re-inspection is recorded in the CAMA system with required characteristics for Residential real property such as class, size, age, condition topography, access, construction style, roof style, photographs and other such attributes.

Defining market areas in the district:

Market areas for Residential properties tend to be localized within certain boundaries like a subdivision or other geographic controls. Information from local builders and developers, realtors, appraisers, research centers, and sales data are used to help define market areas.

Currently the market areas of the Appraisal District are Urban, Suburban and Rural. Within these market areas are submarkets made up of Abernathy ISD, Frenship ISD, Idalou ISD, Lorenzo ISD, Lubbock ISD, Lubbock Cooper ISD, New Deal ISD, Roosevelt ISD, Shallowater ISD, Slaton ISD, and Southland ISD. Within the market and submarket areas are 146 neighborhood groups that have been identified that cover the entire district with 641 neighborhoods within the neighborhood groups. The number of neighborhoods changes each year depending on new sales information. Improvement or land modifiers within each market area or neighborhood are used to refine appraised values within each. A list of market areas and neighborhoods and adjustments are listed in the Residential manual.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Residential valuation is conducted by neighborhood and market area analysis. Analysis of comparable market sales forms the basis of estimating market activity and the level of supply and demand affecting market prices for any given market area or neighborhood. Market sales indicate the effects of these market forces and are interpreted by the appraiser into an indication of market price ranges and indications of property component change considering a given time period relative to the date of appraisal. Cost and Market Approaches to estimate value are the basic techniques utilized to interpret these sales.

All Residential parcels in the district are valued with a replacement cost estimated from identical cost schedules based on the improvement classification system (models) using a comparative unit method. The district's Residential cost schedules are developed from prior year sales and compared to Marshall and Swift, a nationally recognized cost estimator service. These cost estimates are compared with sales of new improvements and evaluated from year to year and indexed to reflect the local Residential building and labor market. Costs may also be indexed for neighborhood factors and influences that affect the total replacement cost of the improvements in a smaller market area based on evidence taken from a sample of market sales.

Abstraction and allocation of property components based on sales of similar property is an important analysis tool to interpret market sales under the cost and market approaches to value. These analysis tools help determine and estimate the effects of change, with regard to price, as indicated by sale prices for similar property within the current market. Characteristics such as year built, size, construction type, condition and a classing system that groups improvements into similar groups of construction style and quality aid in comparing like properties.

The income approach is seldom used in single-family Residential properties due to limited income information. Usually there are sufficient sales and cost information that results in a much more accurate market value.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

SPECIAL INVENTORY RESIDENTIAL PROPERTY

Identifying properties to be appraised:

All special inventory Residential properties are identified from annual applications from property owners. A list of prior year qualified properties is mailed an application each year.

Identifying and updating relevant characteristics of each property in the appraisal records:

Characteristics of each property are identified and updated from applications filed each year, plats and other deed records filed and by field review. Improved properties are updated as all Residential property under the Residential section above.

Defining market areas in the district:

Market areas for vacant land properties tend to be local, by school district or city. Information from local builders and developers, realtors, appraisers, research centers and sales data are used to help define market areas.

Currently there are 146 neighborhood groups that have been identified that cover the entire district with 641 neighborhoods within the neighborhood groups. The number of market areas change each year depending on new sales information. Improvement or land modifiers within each market area or neighborhood are used to refine appraised values within each. A list of market areas and neighborhoods and adjustments are listed in the Residential manual.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

The value of the land component to the property is estimated based on available market sales for comparable and competing land under similar usage. A comparison and analysis of comparable land sales is conducted based on a comparison of land characteristics found to influence the market price of land located in the neighborhoods. Specific land influences are considered, where necessary, and depending on neighborhood and individual lot or tract characteristics, to adjust parcels outside the neighborhood norm for such factors as access, view, shape, size, and topography.

Several builders and land developers have assisted the district in providing information to determine that an adjustment to the market value of Residential lots of 30% would be appropriate in most cases for an inventory value. A parcel with a completed improvement on January 1 meeting the above criteria was considered also and an adjustment of 20% on the improvement value would be a reasonable inventory value. These adjustments reflect a value that would be typical to arrive at a cost value which is considered the value that a unit would sell to a purchaser that would continue the business as defined by Section, 23.12 of the Property Tax Code.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

MULTIFAMILY RESIDENTIAL PROPERTY

Identifying properties to be appraised:

Multifamily Residential properties are identified as part of the appraiser's regular assignment through building permits, sales information obtained from various sources, deed information, sewer permits, and new electrical hook-ups, information received from property owners, information from news articles, new sales tax permits, photographs, maps, aerial photos and other sources.

Coding within a CAMA system provides different means of accessing records of a particular improvement type along with characteristics of the property for analysis and identifying.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through the inspection process, sales data, permits, deed information, owner descriptions, maps and aerial photos. Subject property data is verified through previous existing records and through published reports.

Defining market areas in the district:

Market areas for multifamily Residential properties tend to be localized within certain boundaries like a subdivision or other geographic controls. Information from local builders and developers, realtors, appraisers, research centers, and sales data are used to help define market areas.

Multi-family properties are divided into four quadrants within the County for economic areas that match information from local surveys that aid in the providing income information such as rent rates, expenses and occupancy percentages.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Among the three approaches to value multifamily Residential properties are most commonly appraised using income models. Abstraction and allocation of property components based on sales of similar property is an important analysis tool to interpret market sales under the cost and market approaches to value. These analysis tools help determine and estimate the effects of change, with regard to price, as indicated by sale prices for similar property within the current market. Cost and sales approaches are used to test the income models on an annual basis.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

COMMERCIAL REAL PROPERTY

Identifying properties to be appraised:

Commercial properties are identified as part of the appraiser's regular assignment through building permits, sales information obtained from various sources, deed information, sewer permits, and new electrical hook-ups, information received from property owners, information from news articles, new sales tax permits, photographs, maps, aerial photos and other sources.

Coding within a CAMA system provides different means of accessing records of a particular improvement type along with characteristics of the property for analysis and identifying. Re-inspections of Commercial properties can create changes to characteristics of a property such as additions, condition and other such changes. These will be recorded in the CAMA system and impact the results of ratio studies and other approaches to value to determine the reappraised value of properties

Commercial and Industrial real properties to be re-inspected by field visits or Pictometry aerial photos in 2023 are in West Lubbock ISD, New Deal, and Abernathy ISD's. Pictometry Change Finder will be used to compare aerial photography for new improvements.

In 2024 Commercial and Industrial properties in Lubbock East Lubbock ISD, Idalou, Roosevelt, and Slaton ISD's will be re-inspected.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through the inspection process, sales data, permits, deed information, owner descriptions, maps and aerial photos. Subject property data is verified through previous existing records and through published reports.

Each re-inspection an appraiser does is recorded on an appraisal card with required characteristics for Commercial property such as class, size, age, condition, topography, access, wall height, roof style, and other such attributes.

Defining market areas in the district:

Market areas for Commercial properties tend to be localized within certain boundaries like a subdivision or other geographic controls. Information from local builders and developers, realtors, appraisers, research centers, and sales data are used to help define market areas.

The same market areas and neighborhoods mentioned above are used to adjust Commercial properties.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Among the three approaches to value Commercial properties are most commonly appraised using replacement/reproduction cost new less depreciation models because of readily available cost information. If sufficient income or sales data is available, those appraisal models may also be used.

Marshall & Swift Commercial computer models are used extensively for most Commercial improvement types due to the lack of sales and income information.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

VACANT REAL PROPERTY

Identifying properties to be appraised:

Vacant real properties are identified as part of the appraiser's regular assignment through sales information obtained from various sources, deed information, information received from property owners, information from news articles, photographs, maps, aerial photos and other sources.

Agricultural land in New Deal, Shallowater, and Frenship ISD's will be re-inspected for changes in 2023. In 2024 agricultural land in Lorenzo, Idalou, Roosevelt, and Abernathy ISD's will be re-inspected for changes.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through the inspection process, sales data, permits, deed information, owner descriptions, maps and aerial photos. Subject property data is verified through previous existing records and through published reports.

Defining market areas in the district:

Market areas for vacant real properties tend to be localized within certain boundaries like a subdivision or other geographic controls. Information from local builders and developers, realtors, appraisers, research centers, and sales data are used to help define market areas.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

The value of the land component to the property is estimated based on available market sales for comparable and competing land under similar usage. A comparison and analysis of comparable land sales is conducted based on a comparison of land characteristics found to influence the market price of land located in the neighborhoods. Specific land influences are considered, where necessary, and depending on neighborhood and individual lot or tract characteristics, to adjust parcels outside the neighborhood norm for such factors as access, view, shape, size, and topography.

Cost and income approaches are not used in the value of vacant real properties because of limited information available.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

INDUSTRIAL REAL PROPERTY

Lubbock CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise some Industrial properties. Lubbock CAD follows the same process on the properties that the CAD appraises.

Identifying properties to be appraised:

Industrial properties are identified as part of the appraiser's physical inspection process each year and through submitted data by the property owner. The appraiser may also refer to legal documents, photography and other descriptive items.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through the inspection process. Confidential rendition, asset lists and other confidential data also provide additional information. Subject property data is verified through previous existing records and through published reports.

Defining market areas in the district:

Market areas for Industrial properties tend to be regional, national and sometimes international. Published information such as prices, financial analysis and investor services reports are used to help define market areas.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Among the three approaches to value Industrial properties are most commonly appraised using replacement/reproduction cost new less depreciation models because of readily available cost information. If sufficient income or sales data is available, those appraisal models may also be used.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

UTILITY, RAILROAD AND PIPELINE PROPERTY

Lubbock CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise Utility, Railroad, and Pipeline properties.

Identifying properties to be appraised:

Utility, railroad and pipeline properties that are susceptible to inspection are identified by inspection. The appraiser may also refer to other documents, both public and confidential to assist in identification of these properties.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through data collected as part of the inspection process and through later submissions by the property owner, sometimes including a confidential rendition. Additional data is obtained through public sources, regulatory reports and through analysis of comparable properties.

Defining market areas in the district:

Market areas for utility, railroad and pipeline property tend to be regional or national in scope. Financial analyst and investor service reports are used to help define market areas.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

For all three types of property, the appraiser must first form an opinion of highest and best use. Among the three approaches to value (cost, income and market), pipeline value is calculated using a replacement/reproduction cost new less depreciation model [RCNLD]. In addition to the RCNLD indicator, a unit value model may also be used if appropriate data is available. Utility and railroad property is appraised in a manner similar to pipeline except that the RCNLD model is not used.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property when multiple models are used. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process. These types of property are also subject to review by the Property Tax Division of the Texas Comptroller's Office through their annual Property Value Study.

OIL AND GAS PROPERTY

Lubbock CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise Oil and Gas properties.

Identification of new property and its' situs:

As subsurface mineral properties lie within the earth, they cannot be physically identified by inspection like other real property. However, the inability to directly inspect does not appreciably affect the ability to identify and appraise these properties. To identify new properties, CAGI obtains monthly oil and gas lease information from the Railroad Commission of Texas [RRC] to compare against oil and gas properties already identified. The situs of new properties is determined using plats and W-2/G-1 record from the RRC, as well as CAGI's in-house map resources.

Identifying and updating relevant characteristics of all oil and gas properties to be appraised.

The relevant characteristics necessary to estimate value of remaining oil or gas reserves are production volume and pattern, product prices, expense borne by the operator of the property, and the rate at which the anticipated future income should be discounted to incorporate future risk. CAGI obtains information to update these characteristics annually from regulatory agencies such as the RRC, the Comptroller of Public Accounts, submissions from property owners and operators, as well as from published investment reports, licensed data services, service for fee organizations and through comparable properties, when available.

Defining market areas in the district and identifying property characteristics that affect property value in each market area:

Oil and gas markets are regional, national and international in scope. Therefore they respond to market forces beyond defined market boundaries as observed among more typical real properties.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Among the three approaches to value, the income approach to value is most commonly used in the oil and gas industry. Through use of the discounted cash flow technique in particular, the appraiser is able to bring together relevant characteristics of production volume and pattern, product prices, operating expenses and discount rate to determine an estimate of appraised value of an oil or gas property.

Comparison and Review:

Use of the income approach is the first step in determining an estimate of market value. Next an appraiser reviews the estimated market value compared to its previous certified value and also compares it to industry expected model's value with its previous year's actual income. Typically the value will vary within a range of 2-5 times actual annual income, provided all appropriate income factors have been correctly identified. Finally, periodic reassignment of properties among appraisers and review of appraisal by a senior appraiser further expand the review process.

SPECIAL VALUATION PROPERTIES

AGRICULTURAL USE

Land that is devoted principally to agricultural use, such as the production of crops, livestock, poultry, fish, or cover crops can qualify for agricultural appraisal under two different state laws. The only one used in Lubbock County is called “open-space valuation” or “1-d-1” (after Article 8, Section 1-d-1 of the Texas Constitution). The other is “1-d” which requires the owner to show at least 50% of their income is derived from farming or ranching. Other uses that can qualify are land idle for a government program or for normal crop or livestock rotation, wildlife management, raising certain exotic animals or birds to produce human food or other items of Commercial value.

Market value of agricultural land must also be recorded for each parcel along with an agricultural value when the land qualifies. Market and ag-use values are based on a per acre basis; with market value determined by sales information. Land that has qualified for agricultural appraisal and the use changes to a non-agricultural purpose the person who changes the use will owe a “rollback” tax for each of the previous three years in which the land received an agricultural value. The rollback tax is the difference between the taxes paid and what would have been paid if the land had been taxed on market value. Also, 5 percent interest is charged for each year from the date on which taxes would have been due.

Identifying properties to be appraised:

Agricultural land properties are identified as part of the appraiser’s regular assignment primarily through the receipt of Agricultural Applications. Other discover tools utilized by the appraisers include sales information obtained from various sources including deed information, information received from property owners, information from news articles, photographs, maps, aerial photos and other sources.

Agricultural land in New Deal, Shallowater, and Frenship ISD’s will be re-inspected for changes in 2023. In 2024 agricultural land in Lorenzo, Idalou, Roosevelt and Abernathy ISD’s will be re-inspected for changes.

Identifying and updating relevant characteristics of each property in the appraisal records:

The appraiser identifies and updates relevant characteristics through the inspection process, sales data, deed information, owner descriptions, maps and aerial photos. Subject property data is verified through previous existing records and through published reports.

Defining market areas in the district:

Market areas for agricultural land properties tend to be defined by topography, access and amount of water, soil types and drainage. Information from local farmers, realtors, appraisers, research centers, county and state published information and sales data are used to help define market areas.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Sales of land are reviewed on a regular basis and tested against LCAD values through ratio studies and other market tests mentioned earlier. Agricultural values are reviewed annually based on an overall county five-year average of income, expenses and the net income to land for each category of land on a parcel. Most agricultural land in Lubbock County is irrigated or dry land row crop with some native pasture land. Each category is broken down by soil type with the slope considered. County wide averages of a typical farm are used rather than the information of each individual farm to eliminate inequity primarily in different management styles. There are various sources of information for Lubbock County from state organizations to local agencies and land owners. Lubbock CAD primarily uses information from questionnaires sent to Lubbock County farmers to derive typical income and expenses figures. Information from the Lubbock County Farm Service Agency is also used in the calculations of the net income to land values.

The cost approach is not relevant in appraising land.

Comparison and Review:

The appraiser considers results that best address the individual characteristics of the subject property and that are based on the most reliable data when multiple models are used. Year-to year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

WILDLIFE MANAGEMENT

There are currently no properties appraised for wildlife management purposes since Lubbock CAD has no applications on file.

Lubbock CAD will comply with section 23.521 of the Texas Property Tax Code once an application is received.

TIMBER USE

There is no timber use land in Lubbock County; therefore there is no plan to appraise such land.

BUSINESS TANGIBLE PERSONAL PROPERTY

Identifying properties to be appraised:

Through inspection the appraiser identifies personal property to be appraised. The appraiser may also refer to other documents, both public and confidential, to assist in identification of these properties. Such documents might include but are not limited to the previous year's appraisal roll, vehicle listing services and private directories. Confidential renditions, sales tax permits, news media and various other permits issued by state or local governments are also used.

In 2023, Business Personal Property accounts in BPP3 (Lubbock-Cooper and Frenship) will be inspected for changes. Business Personal Property accounts in BPP2 and BPP4 will be re-inspected for changes in 2024.

Identifying and updating relevant characteristics of each property in the appraisal records:

Data identifying and updating relevant characteristics of the subject properties are collected as part of the inspection process through directories and listing services as well as through later submissions by the property owner, sometimes including confidential rendition. This data is verified through previously existing records and through public reports.

Defining market areas in the district:

Market areas for business personal property are generally either regional or national in scope. Published price sources are used to help define market areas.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Personal property is appraised using replacement/reproduction cost new less depreciation models. Income approach models can be used when economic and/or subject property income is available, and a market data model can be used when appropriate market sales information is available.

Comparison and Review:

The appraiser reconciles multiple models by considering the model that best addresses the individual characteristics of the subject property. Year-to-year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisal by a senior appraiser also contributes to the review process.

INDUSTRIAL TANGIBLE PERSONAL PROPERTY

Lubbock CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise some Industrial tangible personal property.

Identifying properties to be appraised:

Through inspection the appraiser identifies personal property to be appraised. The appraiser may also refer to other documents, both public and confidential, to assist in identification of these properties. Such documents might include but are not limited to the previous year's appraisal roll, vehicle listing services and private directories.

Identifying and updating relevant characteristics of each property in the appraisal records:

Data identifying and updating relevant characteristics of the subject properties are collected as part of the inspection process through directories and listing services as well as through later submissions by the property owner, sometimes including confidential rendition. This data is verified through previously existing records and through public reports.

Defining market areas in the district:

Market areas for Industrial tangible personal property are generally either regional or national in scope. Published price sources are used to help define market areas.

Developing an appraisal approach that reflects the relationship among property characteristics affecting value and determines the contribution of individual property characteristics:

Industrial personal property is appraised using replacement/reproduction cost new less depreciation models. Income approach models can be used when economic and/or subject property income is available, and a market data model can be used when appropriate market sales information is available.

Comparison and Review:

The appraiser reconciles multiple models by considering the model that best addresses the individual characteristics of the subject property. Year-to year property value changes for the subject property are examined using computer-assisted statistical review. Periodic reassignment of properties among appraisers or the review of appraisals by a senior appraiser also contributes to the review process.

The Mass Appraisal Report by Tax Year

2022

INTRODUCTION

Scope of Work

The Lubbock Central Appraisal District has prepared and published this reappraisal plan and appraisal report to provide our property owners and any interested person or organization a comprehensive description of the district's responsibilities and activities required by law. This report has several parts: a general introduction and then, several sections describing the appraisal process of the appraisal district.

The Lubbock Central Appraisal District (CAD) is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A five member Board of Directors, appointed by the taxing units within the boundaries of Lubbock County, constitutes the district's governing body. The Chief Appraiser, appointed by the Board of Directors, is the chief administrator of the appraisal district.

The appraisal district is responsible for local property tax appraisal and exemption administration for 22 jurisdictions or taxing units and eleven public improvement districts in the county. Each taxing unit, such as the county, a city, school district, hospital district, etc., sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Property appraisals and estimated values by the appraisal district allocate the year's tax burden on the basis of each taxable property's value. We also determine eligibility for various types of property tax exemptions and special use valuation such as those for homeowners, the elderly, disabled veterans, charitable or religious organizations and agricultural productivity valuation.

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 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 proceeding the tax year to which the appraisal applies by filing an application requesting that the inventory be appraised as of September 1st.

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

Personnel Resources

The appraisal district is responsible for the valuation of all taxable real and personal property. The property types appraised include Commercial, Residential, business personal, mineral, utilities, 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 are coordinated by personnel in support services.

The 2022 appraisal district budget funds 56 total positions. Of these 41.5 full time equivalent personnel units are allocated for statutory appraisal district responsibilities. The remaining 14.5 are utilized to fulfill the appraisal district's contractual obligation to the taxing units for tax collection services.

Staff Education and Training

All personnel that are performing appraisal work are registered with the Texas Department of Licensing and Regulation and are required to take appraisal courses to achieve the status of Registered Professional Appraiser within five years of employment as an appraiser. After they have earned this license, they must receive additional training of a minimum of 30 hours of continuing education units every two years. Failure to meet these minimum standards results in the termination of the employee.

Additionally, all appraisal personnel receive extensive training in data gathering processes, data entry, field work and statistical analyses of all types of property to ensure equality and uniformity. On-the-job training is delivered by supervisory and other experienced appraisers for new appraisers. Supervisors meet with staff to introduce new procedures and monitor appraisal activity to ensure that standardized appraisal procedures are being followed.

Data

The district is responsible for establishing and maintaining approximately 163,000 real and personal property accounts covering 893 square miles within Lubbock County and a few within adjoining counties. Portions of adjoining counties are under over-lapping taxing jurisdictions and these properties are included within this number of property accounts. These over-lapping jurisdictions are Abernathy, Southland, Lorenzo Independent School Districts

and the City of Abernathy. This data includes property characteristics, 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. Sales are routinely validated during a separate field effort; however, numerous sales are validated as part of the new construction field inspections. General trends in new construction cost and market data are acquired through various sources, including internally generated questionnaires to buyer and sellers, university research centers, and market data centers and vendors.

The district has a geographic information system (GIS) that maintains cadastral maps and various layers of data and aerial photography. The district's website makes a broad range of information available for public access, including information on the appraisal process, property characteristics data, certified values, protests and appeal procedures. Downloadable files of related tax information and district forms, including exemption applications and business personal property renditions are also available.

Information Systems

The Information Technology Manager and the mapping department manage and maintain the District's data processing facility, software applications, website, and geographical information system. The district appraisal and collection software operates from a SQL server database running on a Dell PowerEdge R740xd. There are seven additional virtual servers configured as domain controllers, a web server, a GIS server, application servers, and job servers running on a Dell PowerEdge R730xd and a Dell R740. All of these servers are running Windows Server 2016. Tyler Technologies provides software services for appraisal and collections applications.

INDEPENDENT PERFORMANCE TEST

According to Chapter 5 of the TPTC and Section 403.302 of the Texas Government 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 part of this annual study, the code 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 valid; and, determine the level and uniformity of property tax appraisal in each appraisal 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 analyses of sold properties (sale 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 25% of the median and price-related differential (PRD) for properties overall and by state category.

There are eight independent school districts in Lubbock CAD for which appraisal rolls are annually developed. The preliminary results of this study are released

February 1 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) the following July of each year. This outside (third 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 comprehensive physical description of personal property, and 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 Lubbock County and the other taxing units of Lubbock CAD. 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, Commercial, and personal properties in the district every three years. The determination of value for all property located in the district is reviewed and evaluated each year.

Appraisal Resources

- **Personnel** - The appraisal activities are conducted by 18 appraisers.
- **Data** - The data used by field appraisers includes the existing property characteristic information contained in CAMA (Computer Assisted Mass Appraisal System) from the district's computer system. The data is printed on a property record card or downloaded to a field device. Other data used includes maps, sales data, fire and damage reports, building permits, photos and actual cost and market information. Sources of information are gathered through reciprocal relationships with participants in the real estate market place. The district cultivates sources and gathers information from both buyers and sellers participating in the real estate market.

Appraisal Frequency and Method Summary

- **Residential Property**- Residential property is physically examined at least once every three years with appraisers noting condition of the improvement and looking for changes that might have occurred to the property since the last on-site check. In some subdivisions where change of condition is frequent, homes are examined more frequently. Exterior pictures are taken of homes on a continuous basis. Every subdivision is statistically analyzed annually to ensure that sales that have occurred in the subdivision during the past 12 months are within a +/-3% range of appraised value. If the sales do not indicate that range, adjustments are made to the subdivision using a process outlined in detail in the Residential Appraisal section of this report.
- **Commercial Property**- Commercial and Industrial real estate is observed at least every three years to verify class and condition. Pictures are taken

of the improvements on a continuous basis. Real estate accounts are analyzed against sales of similar properties in Lubbock CAD as well as similar communities in West Texas that have similar economies. The income approach to value is also utilized to appraise Commercial properties such as shopping centers, apartment complexes, office buildings, restaurants, motels and hotels, and other types of property that typically sell based on net operating income.

- Business Personal Property- Business personal property is observed at least once every three years with appraisers actually going into businesses to develop quality and density observations. A rendition is left for new businesses to complete. Similar businesses to a subject are analyzed annually to determine consistency of appraisal per square foot. Businesses are categorized using SIC codes. Rendition laws provide additional information on which to base values of all BPP accounts.
- Minerals- Working and royalty interests of producing oil and gas wells are appraised annually on a contractual basis by Capitol Appraisal Group (CAG). The most recent production data available from the Texas Railroad Commission is used by CAG to appraise these properties each year. Reserves are then valued based upon State mandated pricing using the previous year's average of oil or gas values. A discount is applied over the anticipated life of the well in order to consider the value of money over time to recover those reserves. Each producing lease is valued as a unit and then that value is divided according to the various owners of the lease listed in division orders.
- Utilities and Pipelines- Utility companies and pipelines are appraised annually by Capitol Appraisal Group using a unit value developed using all three approaches to value. For example, a utility company's total value in the State is estimated using cost, market, and income approaches to value and then the entire value is allocated using the components of that utility company that has situs in the various taxing units of Lubbock CAD. Components include such things as miles of transmission lines, miles of distribution lines, substations and the like for an electric utility.

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 foot of living area, year built, quality of construction, and condition. Field appraisers are required to use a property classification system that establishes uniform procedures for the correct listing of real property. All properties are coded according to a classification system. The approaches to value are structured and calibrated based on this coding system and property description and characteristics. The field appraisers use property classification references during their initial training and as a guide in the field inspection of properties. Data collection for personal property involves maintaining information on software designed to record and appraise business personal property. The type of information contained in the BPP file includes

personal property such as business inventory, furniture and fixtures, machinery and equipment, with details such as cost and location. The field appraisers conducting on-site inspections use a personal property classification system during their initial training and as a guide to correctly list all personal property that is taxable.

The listing procedure utilized by the field appraisers is available in the district offices. Appraisers periodically update the classification system.

Sources of Data

The sources of data collection are through property inspection, new construction field effort, data review/re-list field effort, data mailer questionnaires, hearings, sales validation, Commercial sales verification, newspapers and publications, and property owner correspondence by mail or via the Internet. A principal source of data comes from building permits received from taxing jurisdictions that require property owners to file a building permit. Permits are received in hard copy and loaded to our CAMA system. Area and regional real estate brokers and managers are sources of market and property information. Data surveys of property owners requesting market information and property description information is also valuable data. Soil surveys and agricultural surveys of farming and ranching property owners and industry professionals are helpful for productivity value calibration. The Texas Railroad Commission is the source for mineral production data and leasing information. Improvement cost information is gathered from local building contractors and Marshall and Swift Valuation Service. Various income and rental surveys are performed by interviewing property managers and operators to determine operating income and expenses for investment and income producing real property.

Data review of entire neighborhoods is generally a good source for data collection. Appraisers study 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 market data for properties that have sold. Property owners are one of the best sources for identifying incorrect data that generates a field check. Frequently, the property owner provides reliable data to allow correction of records without having to send an appraiser on-site. As the district has increased the amount of information available on the Internet, property owners have the opportunity to review information on their property and forward corrections via e-mail. For the property owner without access to the Internet, letters are sometimes submitted notifying the district of inaccurate data. Properties identified in this manner are added to a work file and inspected at the earliest opportunity. Accuracy and validity in property descriptions and characteristics data is the highest goal and is stressed throughout the appraisal process from year to year. Appraisal quality and validity relies on data accuracy as its foundation.

Data Collection Procedures

The appraisers are assigned specific geographic areas throughout the district to conduct field inspections. Appraisers of real estate and business personal property conduct field inspections and record information on a field appraisal card or mobile field device which is returned to the office for entry. The quality of the data used is extremely important in determining market values of taxable property. While work performance standards are established and upheld for the various field activities, quality of data is emphasized as the goal and responsibility of each appraiser. New appraisers are trained in the specifics of data collection and the classification system set forth and recognized as “rules” to follow. Experienced appraisers are routinely re-trained in listing procedures prior to major field projects such as new construction, sales validation or data review. A quality assurance process exists through supervisory review of the work being performed by the field appraisers.

Data Maintenance

The field appraiser is responsible for the data entry of his/her fieldwork into the computer file. This responsibility includes not only data entry, but also quality assurance. The majority of the data collected in the field is input by computer staff with supervision by the field appraiser. Data updates and file modification for property descriptions and input accuracy is conducted as the responsibility of the field appraiser and appraisal supervisors.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

The date of last inspection and the CAD appraiser responsible are listed on the CAMA record or property card. If a property owner or taxing unit disputes the district’s records concerning this data during a hearing, via a telephone call or other correspondence received, the record may be corrected based on the evidence provided or an on-site inspection may be conducted. Typically, a field inspection is requested to verify this information for the current year’s valuation or for the next year’s valuation. Every year a field review of real property located in certain areas or neighborhoods in the jurisdiction is done during the data review effort. A field review is performed on all personal property accounts, with available situs, at least once every three years.

Office Review

Office reviews are completed on properties where update information has been received from the owner of the property and is considered accurate and correct. A new resource for conducting office reviews is aerial photography that can measure and view a property from four angles. Property can be viewed as of January 1 of 2022 to verify information received from outside sources. Data mailers, sent in mass, or at the request of the property owner, frequently verify some property characteristics or current condition of the property. When the property data is verified in this manner, and considered accurate and correct, field inspections may not be required. The personal property section mails property rendition forms in December of each year to assist in the annual review of the property.

PERFORMANCE TEST

The appraisers are responsible for conducting ratio studies and comparative analysis. Ratio studies are conducted on property located within certain neighborhoods or districts by appraisal staff. The sale ratio and comparative analysis of sale property to appraised property forms the basis for determining the level of appraisal and market influences and factors for the neighborhood. This information is the basis for updating property valuation for the area of property to be evaluated. Field appraisers, in many cases, may conduct field inspections to confirm the accuracy of the property descriptions at the time of sale for this study. This inspection is to ensure that the ratios produced are accurate for the property sold and that appraised values utilized in the study are based on accurate property data characteristics observed at the time of sale. Property inspections are also performed to discover if property characteristics had changed as of the sale date or subsequent to the sale date. Sale ratios should be based on the value of the property as of the date of sale not after a subsequent or substantial change was made to the property after the negotiation and agreement in price was concluded. Properly performed ratio studies are a good reflection of the level of appraisal for the district.

Land Valuation Process

Introduction

Scope of Responsibility

The land appraisers are responsible for estimating equal and uniform market values for all types of land including but not limited to Residential, multi-family, Commercial, agricultural and Industrial. There are approximately 12,000 vacant Residential, multifamily, Commercial and Industrial properties and an estimated 4,700 parcels or 414,000 acres of farm land within the boundaries of Lubbock CAD.

Appraisal Resources

Personnel – The land appraisal staff consists of 3 appraisers. The following appraisers are responsible for estimating the market and special use valuations on all types of vacant land.

Scott Freeman -

Commercial Coordinator

Vacant –

Land Appraiser

Vacant –

Land Appraiser

Data - An individualized set of data characteristics for each land parcel in this district is collected in the field and from outside sources; then entered into the CAMA system. The land characteristic data, such as location, view, slope, soil type, zoning, and various other influences are considered.

Land Analysis

The value of the land component of the property is estimated based on available market sales of comparable and competing land, typically under similar usage. A comparison and analysis of comparable land sales is conducted based on a comparison of land characteristics found to influence the market price of land located in the neighborhoods. Specific land influences are considered, where necessary, and depending on neighborhood and individual lot or tract characteristics, to adjust parcels outside the neighborhood norm for such factors as access, view, shape, size, and topography.

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs 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 PTAD approved classes.

Land is analyzed annually to compare appraised values with recent sales of land

in the market area. If appraised values differ from sales prices being paid, adjustments are made. Factors are placed on individual properties based on corner influence, depth of site, shape of site, easements across site, and other factors that may influence value. The land is valued as though vacant at its highest and best use.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of vacant land could change over time. This is due in part to the fact that land development, in many areas, through use of deed restrictions and zoning, precludes other land uses. Land valuation undertakes reassessment of highest and best use in transition areas and areas of mixed Residential and Commercial use. In transition areas, with ongoing changes, the appraiser reviews the existing property's use and makes a determination regarding highest and best use. As an example, it may be determined in a transition area that older, non-remodeled homes are an economic detriment, and the highest and best use of such property is the construction of new dwellings. In areas of mixed Residential and Commercial use, the appraiser reviews properties in these areas to determine if changes in the real estate market require reassessment of the highest and best use of a select population of properties.

Sales Information

A sales file for the storage of sales data at the time of sale is maintained for real property. Vacant sales are collected from a variety of sources, including: district questionnaires sent to buyer and seller, field discovery, protest hearings, various sale vendors, builders, and realtors. A system of type, source, validity and verification codes has been established to define salient facts related to a property's purchase or transfer and to help determine relevant market sale prices. Neighborhood sales reports are generated as an analysis tool for the appraiser in the development and estimation of market price ranges and property component value estimates.

Residential Valuation Process

INTRODUCTION

Scope of Responsibility

The Residential appraisers are responsible for estimating equal and uniform market values for Residential improved property. There are approximately 92,000 Residential improved single and multiple family parcels within Lubbock CAD boundaries.

Appraisal Resources

Personnel - The Residential appraisal staff consists of 7 appraisers. The following appraisers are responsible for estimating the market value of Residential property:

Scott McCraw –	Residential Coordinator
Shelley Rosas –	Sr. Residential Appraiser
Adam Alaniz –	Residential Appraiser
Tyrone Christopher –	Residential Appraiser
Carly Elliott –	Residential Appraiser
Garret Olson	Residential Appraiser
Eric Valdez	Residential Appraiser

Data - An individualized set of data characteristics for each Residential dwelling and multiple family units in this district are collected in the field and data entered to the computer. The property characteristic data drives the application of computer-assisted mass appraisal (CAMA) under the Cost, Market, and Income Approaches to property valuation.

VALUATION APPROACH

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs are collected from private vendors and public sources. This information provides the appraiser a basis for establishing the current economic outlook for the real estate market. Information is gleaned from real estate publications and sources such as continuing education in the form of IAAO and PTAD approved 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 subsets of the universe of properties known as neighborhoods. Residential valuation and neighborhood analysis is conducted on various market areas within each of the political entities known as Independent School Districts (ISD). Analysis of comparable market sales forms the basis of estimating market activity and the level of supply and demand affecting market prices for any given market area, neighborhood or district. Market sales indicate the effects of these market forces and are interpreted by the appraiser into an indication of market price ranges and indications of property component change considering a given time period relative to the date of appraisal. Cost and Market Approaches to estimate value are the basic techniques utilized to interpret these sales. For multiple family properties the Income Approach to value is also utilized to estimate an opinion of value for investment level Residential property.

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. Geographic stratification accommodates the local supply and demand factors that vary across a jurisdiction. Once a neighborhood with similar characteristics 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 neighborhood analysis is the consideration of discernible patterns of growth that influence a neighborhood's 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, or equilibrium, the forces of supply and demand are about equal. Generally, in the stage of equilibrium, older neighborhoods can be more desirable due to their stability of Residential character and proximity to the 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 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 use in direct sales comparison analysis. Neighborhood groups, or clustered neighborhoods, increase the available market data by linking comparable properties outside a given neighborhood. Sales ratio analysis, discussed below, is performed on a neighborhood basis, and in soft sale areas on a neighborhood group basis.

Currently there are 146 neighborhood groups that have been identified that cover the entire district with 641 neighborhoods within the neighborhood groups. The numbers of neighborhoods change each year depending on new sales information. Improvement or land modifiers within each neighborhood group or neighborhood are used to refine appraised values within each neighborhood group or neighborhood. Neighborhood groups are separated by different boundaries and within those boundaries neighborhoods are broken down in various ways such as: improvement class, age, subdivision boundaries or any group that has a common attributes that effect the value in that market area.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of Residential property is normally its current use. This is due in part to the fact that Residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses. Residential valuation undertakes reassessment of highest and best use in transition areas and areas of mixed Residential and Commercial use. In transition areas with ongoing changes, the appraiser reviews the existing Residential property use and makes a determination regarding highest and best use. Once the conclusion is made that the highest and best use remains Residential, further highest and best use analysis is done to decide the type of Residential use on a neighborhood basis. As an example, it may be determined in a transition area that older, non-remodeled homes are an economic detriment, and the highest and best use of such property is the construction of new dwellings. In areas of mixed Residential and Commercial use, the appraiser reviews properties in these areas on a periodic basis to determine if changes in the real estate market require reassessment of the highest and best use of a select population of properties.

VALUATION AND STATISTICAL ANALYSIS (Model Calibration)

Cost Schedules

All Residential parcels in the district are valued with a replacement cost estimated from identical cost schedules based on the improvement classification system using a comparative unit method. The district's Residential cost schedules are estimated from Marshall and Swift, a nationally recognized cost estimator service. These cost estimates are compared with sales of new improvements and

evaluated from year to year and indexed to reflect the local Residential building and labor market. Costs may also be indexed for neighborhood factors and influences that affect the total replacement cost of the improvements in a smaller market area based on evidence taken from a sample of market sales.

Section 23.011 of the Property Tax Code requires a clearly stated reason for any variation between generally accepted cost data and locally produced cost data if the data vary by more than 10%. A review of the Residential cost schedule is performed on a regular basis. As part of this review and evaluation process of the estimated replacement cost, newly constructed sold properties representing various levels of quality of construction in the district are considered. The property data characteristics of these properties are verified and reviewed. CAD replacement costs are compared against Marshall & Swift, a nationally recognized cost estimator, and the indicated replacement cost abstracted from these market sales of comparably improved structures. The results of this comparison are analyzed using statistical measures, including stratification by quality and reviewing of estimated building costs plus land to sales prices. As a result of this analysis, a new regional multiplier or economic index factor and indications of neighborhood economic factors are developed for use in the district's cost process. This new economic index is estimated and used to adjust the district's cost schedule to be in compliance with local building costs as reflected by the local market.

Sales Information

A sales file for the storage of "snapshot" sales data at the time of sale is maintained for real property. Residential vacant land sales, along with Commercial improved and vacant land sales are maintained in a sales information system. Residential improved and vacant sales are collected from a variety of sources, including: district questionnaires sent to buyer and seller, field discovery, protest hearings, various sale vendors, builders, and realtors. A system of type, source, validity and verification codes has been established to define salient facts related to a property's purchase or transfer and to help determine relevant market sale prices. The effect of time as an influence on price was considered by paired comparison and applied in the ratio study to the sales as indicated within each neighborhood area. Neighborhood sales reports are generated as an analysis tool for the appraiser in the development and estimation of market price ranges and property component value estimates. Abstraction and allocation of property components based on sales of similar property is an important analysis tool to interpret market sales under the cost and market approaches to value. These analysis tools help determine and estimate the effects of change, with regard to price, as indicated by sale prices for similar property within the current market.

Monthly time adjustments are estimated based on comparative analysis using paired comparison of sold property. Sales of the same property were considered and analyzed for any indication of price change attributed to a time change or influence. Property characteristics, financing, and conditions of sale were compared for each property sold in the pairing of property to isolate only the time factor as an influence on price.

Statistical Analysis

The Residential valuation appraisers perform statistical analysis annually to evaluate whether estimated values are equitable and consistent with the market. Ratio studies are conducted on each of the Residential valuation neighborhoods in the district to judge the two primary aspects of mass appraisal accuracy--level and uniformity of value. Appraisal statistics of central tendency generated from sales ratios are evaluated and analyzed for each neighborhood. The level of appraised values is determined by the weighted mean ratio for sales of individual properties within a neighborhood, and a comparison of neighborhood weighted mean ratios reflect the general level of appraised value between comparable neighborhoods.

The appraiser, through the sales ratio analysis process, reviews every neighborhood annually. The first phase involves neighborhood ratio studies that compare the recent sales prices of neighborhood properties to the appraised values of these sold properties. This set of ratio studies affords the appraiser an excellent means of judging the present level of appraised value and uniformity of the sales. The appraiser, based on the sales ratio statistics and designated parameters for valuation update, makes a preliminary decision as to whether the value level in a neighborhood needs to be updated or whether the level of market value in a neighborhood is at an acceptable market value level.

Market and Cost Reconciliation and Valuation

Neighborhood analysis of market sales to achieve an acceptable sale ratio or level of appraisal is also the reconciliation of the market and cost approaches to valuation. Market factors are developed from appraisal statistics provided from market analyses and ratio studies and are used to ensure that estimated values are consistent with the market and to reconcile cost indicators. The district's primary approach to the valuation of Residential properties uses a hybrid cost-sales comparison approach. This type of approach accounts for neighborhood market influences not particularly specified in a purely cost model.

The following equation denotes the basic model:

$$MV = LV + (RCN - AD)$$

MV = Market Value

LV = Land Value

RCN = Replacement Cost New of Improvements

AD = Accrued Depreciation

The following equation denotes the hybrid model used:

$$MV = [(IUNIT \times ISIZE) \times \%GOOD \times INAF] + [LUNIT \times LSIZE]$$

MV = Market Value

IUNIT = Replacement Cost New per square foot

ISIZE = Improvement square feet of living area

%GOOD = Percent good from normal depreciation table

INAF = Improvement neighborhood (market area) alignment factor

LUNIT = Land value per square foot, front foot or lot value

LSIZE = Land parcel square foot, front foot or lot value

As the cost approach separately estimates both land and building contributory values and uses depreciated replacement costs, which reflect only the supply side of the market, it is expected that adjustments to the cost values may be needed to bring the level of appraisal to an acceptable standard as indicated by market sales. Thus, demand side economic factors and influences may be observed and considered. These market, or location adjustments, may be abstracted and applied uniformly within neighborhoods to account for location variances between market areas or across a jurisdiction. Whereas, in accordance with the Market Approach, the estimated market value (MV) of the property equals the basic unit of property, under comparison, times the market price range per unit for sales of comparable property. For Residential property, the unit of comparison is typically the price per square foot of living area or the price indicated for the improvement contribution. This analysis for the hybrid model is based on both the cost and market approaches as a correlation of indications of property valuation. A significant unknown for these two indications of value is determined to be the rate of change for the improvement contribution to total property value. The measure of change for this property component can best be reflected and based in the annualized accrued depreciation rate. This cost related factor is most appropriately measured by sales of similar property. The market approach, when improvements are abstracted from the sale price, indicates the depreciated value of the improvement component, in effect, measuring changes in accrued depreciation, a cost factor. The level of improvement contribution to the property is measured by abstraction of comparable market sales, which is the property sale price less land value. The primary unknown for the cost approach is to accurately measure accrued depreciation affecting the amount of loss attributed to the improvements as age increases and condition changes. This evaluation of cost results in the depreciated value of the improvement component based on age and condition. The evaluation of this market and cost information is the basis of reconciliation and indication of property valuation under this hybrid model.

When the appraiser reviews a neighborhood, the appraiser reviews and evaluates a ratio study that compares recent sales prices of properties, appropriately adjusted for the effects of time, within a delineated neighborhood, with the value of the properties' based on the estimated depreciated replacement cost of improvements plus land value. The calculated ratio derived from the sum of the sold properties' estimated value divided by the sum of the time adjusted sales prices indicates the neighborhood level of appraisal based on sold properties. This ratio is compared to the acceptable appraisal ratio, 96% to 100%, to determine the level of appraisal for each neighborhood. If the level of appraisal for the neighborhood is outside the acceptable range of ratios, adjustments to the neighborhood are made.

If reappraisal of the neighborhood is indicated, the appraiser analyzes available market sales, appropriately adjusted for the apparent effects of time, by market abstraction of property components. This abstraction of property components

allows the appraiser to focus on the rate of change for the improvement contribution to the property by providing a basis for calculating accrued depreciation attributed to the improvement component. This impact on value is usually the most significant factor affecting property value and the most important unknown to determine by market analysis. Abstraction of the improvement component from the adjusted sale price for a property indicates the effect of overall market suggested influences and factors on the price of improvements that were a part of this property, recently sold. Comparing this indicated price or value allocation for the improvement with the estimated replacement cost new of the improvement indicates any loss in value due to accrued forms of physical, functional, or economic obsolescence. This is a market driven measure of accrued depreciation and results in a true and relevant measure of improvement marketability, particularly when based on multiple sales that indicate the trending of this rate of change over certain classes of improvements within certain neighborhoods. Based on this market analysis, the appraiser estimates the annual rate of depreciation for given improvement descriptions considering age and observed condition. Once estimated, the appraiser recalculates the improvement value of all property within the sale sample to consider and review the effects on the neighborhood sale ratio. After an acceptable level of appraisal is achieved within the sale sample, the entire neighborhood of property is recalculated utilizing the indicated depreciation rates taken from market sales. This depreciation factor is the basis for trending all improvement values and when combined with any other site improvements and land value, brings the estimated property value through the cost approach closer to actual market prices as evidenced by recent sale prices available within a given neighborhood. Therefore, based on analysis of recent sales located within a given neighborhood, estimated property values will reflect the market influences and conditions only for the specified neighborhood, thus producing more representative and supportable values. The estimated property values calculated for each update neighborhood are based on market indicated factors applied uniformly to all properties within a neighborhood. Finally, with all the market-trend factors applied, a final ratio study is generated that compares recent sale prices with the proposed appraised values for these sold properties. From this set of ratio studies, the appraiser judges the appraisal level and uniformity in both update and non-update neighborhoods and verifies appraised values against overall trends as exhibited by the local market, and finally, for the school district as a whole.

Residential Homestead Property

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

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

Assessed values of capped properties must be recomputed annually. If a capped property sells, the cap automatically expires as of January 1st of the year following sale of the property and the property is appraised at its market value. A similar provision applies to new homes. While a developer owns them, unoccupied residences may be partially complete and appraised as part of an inventory. This valuation is estimated using the district's land value and the percentage of completion for the improvement contribution that usually is similar to the developer's construction costs as a basis of completion on the valuation date. However, in the year following changes in completion, occupancy, or sale, they are appraised at market value.

INDIVIDUAL VALUE REVIEW

Field Review

The appraiser identifies individual properties in critical need of field review through sales ratio analysis. Sold properties are field reviewed on a periodic basis to check for accuracy of data characteristics.

As the district's parcel count has increased through new home construction, and the homes constructed in the boom years of the late 70's and early 80's experience remodeling, the appraisers are required to perform the field activity associated with transitioning and high demand neighborhoods. Increased sales activity has also resulted in a more substantial field effort on the part of the appraisers to review and resolve sales outliers. Additionally, the appraiser frequently field reviews subjective data items such as quality of construction, condition, and physical, functional and economic obsolescence, factors contributing significantly to the market value of the property. After preliminary estimates of value have been determined in targeted areas, the appraiser takes valuation documents to the field to test the computer-assisted values against his own appraisal judgment. During this review, the appraiser is able to physically inspect both sold properties and unsold properties for comparability and consistency of values.

Office Review

Once field review is completed, the appraiser conducts a routine valuation review of all properties as outlined in the discussion of ratio studies and market analysis. Valuation reports comparing previous values against proposed and final values are generated for all Residential improved and vacant properties. The percentage of value difference are noted for each property within a delineated neighborhood 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.

PERFORMANCE TESTS

Sales Ratio Studies

The primary analytical tool used by the appraisers to measure and improve performance is the ratio study. The district ensures that the appraised values that it produces meet the standards of accuracy in several ways. Overall sales ratios are generated for each neighborhood to allow the appraiser to review general market trends within their area of responsibility, and provide an indication of market change over a specified period of time.

Management Review

Once the proposed value estimates are finalized, the appraiser reviews the sales ratios by neighborhood and presents pertinent valuation data, such as weighted sales ratio and pricing trends, to the appraisal supervisors for final review and approval. This review includes comparison of level of value between related neighborhoods within and across jurisdiction lines. The primary objective of this review is to ensure that the proposed values meet accuracy and equity requirements.

Commercial and Industrial Property Valuation Process

INTRODUCTION

Appraisal Responsibility

This mass appraisal assignment includes all of the Commercially described real property which falls within the responsibility of the Commercial valuation appraisers of the Lubbock Central Appraisal District and located within the boundaries of the district. Commercial appraisers appraise the fee simple interest of properties according to statute and court decisions. However, the effect of easements, restrictions, encumbrances, leases, contracts or special assessments are considered on an individual basis, as is the appraisal of any non-exempt taxable fractional interests in real property (i.e. certain multi-family housing projects). Fractional interests or partial holdings of real property are appraised in fee simple for the whole property and divided programmatically based on their prorated interests.

Appraisal Resources

Personnel - The improved real property appraisal responsibilities are categorized according to major property types of multi-family or apartment, office, retail, warehouse and special use (i.e. hotels, hospitals and, nursing homes). The following appraisers are responsible for estimating the market value of Commercial and Industrial property:

Scott Freeman -	Commercial / Land Coordinator
Britni Adams -	Commercial Appraiser
Ryan Nichols -	Commercial Appraiser
Chris Hunt -	Commercial Appraiser
Capitol Appraisal Group -	Independent Appraisal Firm

Data - The data used by the Commercial appraisers includes verified sales of vacant land and improved properties and the pertinent data obtained from each (sales price levels, capitalization rates, income multipliers, marketing period, etc.). Other data used by the appraisers includes actual income and expense data (typically obtained through the hearings process), actual contract rental data, leasing information (commissions, tenant finish, length of terms, etc.), and actual construction cost data. In addition to the actual data obtained from specific properties, market data publications are also reviewed to provide additional support for market trends.

PRELIMINARY ANALYSIS

Market Study

Market studies are utilized to test new or existing procedures or valuation modifications in a limited sample of properties located in the district and are also considered and become the basis of updating whenever substantial changes in valuation are made. These studies target certain types of improved property to evaluate current market prices for rents and for sales of Commercial and Industrial real property. These comparable sale studies and ratio studies reveal whether the valuation system is producing accurate and reliable value estimates or whether procedural and economic modifications are required. The appraiser implements this methodology when developing cost approach, market approach, and income approach models.

Lubbock CAD coordinates its discovery and valuation activities with adjoining appraisal districts. Numerous field trips, interviews and data exchanges with adjacent appraisal districts have been conducted to ensure compliance with state statutes. In addition, Lubbock CAD administration and personnel interact with other assessment officials through professional trade organizations. The district's staff maintains appraisal skills and professionalism through continuing education in the form of courses that are offered by professional associations.

VALUATION APPROACH

Area Analysis

Area data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs are collected from private vendors and public sources.

Neighborhood Analysis

The neighborhood and market areas are comprised of the land area and Commercially classed properties located within the boundaries of this appraisal jurisdiction. These areas consist of a wide variety of property types including multiple-family Residential, Commercial and Industrial. Neighborhood and area analysis involves the examination of how physical, economic, governmental and social forces and other influences may affect property values within subgroups of property locations. The effects of these forces are also used to identify, classify, and organize comparable properties into smaller subsets of the universe of properties known as neighborhoods. In the mass appraisal of Commercial and Industrial properties these subsets of a universe of properties are generally referred to as market areas, neighborhoods, or economic areas.

Economic areas are defined by each of the improved property use types (apartment, office, retail, warehouse and special use) based upon an analysis of similar economic or market forces. These include but are not limited to similarities of rental rates, classification of projects (known as building class by area Commercial market experts), date of construction, overall market activity or other pertinent influences. Economic area identification and delineation by each

major property use type is the benchmark of the Commercial valuation system. All income model valuation (income approach to value estimates) is economic area specific. Economic areas are periodically reviewed to determine if re-delineation is required. The geographic boundaries as well as income, occupancy and expense levels and capitalization rates by age within each economic area for all Commercial use types and its corresponding income model have been estimated for these properties.

Highest and Best Use Analysis

The highest and best use is the most reasonable and probable use that generates the highest net to land and present value of the real estate as of the date of valuation. The highest and best use of any given property must be physically possible, legally permissible, financially feasible, and maximally productive. For improved properties, highest and best use is evaluated as improved and as if the site were still vacant. This perspective assists in determining if the existing improvements have a transitional use, interim use, nonconforming use, multiple uses, speculative use, has excess land, or a different optimum use if the site were vacant. For vacant tracts of land within this jurisdiction, the highest and best use is considered speculative based on the surrounding land uses. Improved properties reflect a wide variety of highest and best uses which include, but are not limited to: office, retail, apartment, warehouse, light Industrial, special purpose, or interim uses. In many instances, the property's current use is the same as its highest and best use. This analysis ensures that an accurate estimate of market value (sometimes referred to as value in exchange) is derived.

On the other hand, value in use represents the value of a property to a specific user for a specific purpose. This perspective of value may be significantly different than market value, which approximates market price under the following assumptions: (i) no coercion of undue influence over the buyer or seller in an attempt to force the purchase or sale, (ii) well-informed buyers and sellers acting in their own best interests, (iii) a reasonable time for the transaction to take place, and (iv) payment in cash or its equivalent.

Market Analysis

A market analysis relates directly to examining market forces affecting supply and demand. This study involves the relationships between social, economic, environmental, governmental, and site conditions. Current market activity including sales of Commercial properties, new construction, new leases, lease rates, absorption rates, vacancies, allowable expenses (inclusive of replacement reserves), and expense ratio trends. Capitalization rate studies are analyzed to determine market ranges in price, operating costs and investment return expectations.

DATA COLLECTION / VALIDATION

Data Collection Manuals

Data collection and documentation for Commercial/Industrial property is continually updated, providing a uniform system of itemizing the multitude of components comprising improved properties. All properties located in Lubbock CAD's inventory are coded according to a specific classification system and the approaches to value are structured and calibrated based on this coding system.

Annually, after the sales of property have been researched, verified, keyed into the database, and quality control has been completed, the sales data is summarized and produced into list form. The confirmed sales reports, known as the Commercial Improved and Vacant Land sales listings categorize the sales by property and use type, and sort the data by location and chronological order.

Sources of Data

In terms of Commercial sales data, Lubbock CAD receives a copy of the deeds recorded in Lubbock and adjoining counties that convey Commercially classed properties. These deeds involving a change in Commercial ownership are entered into the sales information system and researched in an attempt to obtain the pertinent sale information. Other sources of sale data include the protest hearings process and local, regional and national real estate and financial publications.

For those properties involved in a transfer of Commercial ownership, a sale file is produced which begins the research and verification process. The initial step in sales verification involves a computer-generated questionnaire, which is mailed to both parties in the transaction (Grantor and Grantee). If a questionnaire is answered and returned, the documented responses are recorded into the computerized sales database system. If no information is provided, verification of many transactions is then attempted via phone calls to parties thought to be knowledgeable of the specifics of the sale. Other sources contacted are the brokers involved in the sale, property managers or Commercial vendors. In other instances, sales verification is obtained from local appraisers or others that may have the desired information. Finally, closing statements are often provided during the hearings process. The actual closing statement is the most reliable and preferred method of sales verification.

VALUATION ANALYSIS

Model calibration involves the process of periodically adjusting the mass appraisal formula, tables and schedules to reflect current local market conditions. Once the models have undergone the specification process, adjustments can be made to reflect new construction procedures, materials and/or costs, which can vary from year to year. 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 the current market conditions. However, at some point, if the adjustment process becomes too involved, the model calibration technique can mandate new model specifications or a revised model structure.

Cost Schedules

The cost approach to value is applied to improved real property utilizing the comparative unit method. This methodology involves the utilization of national cost data reporting services as well as actual cost information on local comparable properties whenever possible. Cost models are typically developed based on the Marshall Valuation Service which indicates estimated hard or direct costs of various improvement types. Cost models include the derivation of replacement cost new (RCN) of all improvements represented within the district. These include comparative base rates, per unit adjustments and lump sum adjustments for variations in property description, design, and types of improvement construction. This approach and analysis also employs the sales comparison approach in the evaluation of soft or indirect costs of construction. Evaluating market sales of newly developed improved property is an important part of understanding total replacement cost of improvements. What total costs may be involved in the development of the property, as well as any portion of cost attributed to entrepreneurial profit can only be revealed by market analysis of pricing acceptance levels. In addition, market related land valuation for the underlying land value is important in understanding and analyzing improved sales for all development costs and for the abstraction of improvement costs for construction and development. Time and location modifiers are necessary to adjust cost data to reflect conditions in a specific market and changes in costs over a period of time. Because a national cost service is used as a basis for the cost models, location modifiers and estimates of soft cost factors are necessary to adjust these base costs specifically for various types of improvements located in Lubbock. Local modifiers are additional cost factors applied to replacement cost estimated by the national cost service. Estimated replacement cost new will reflect all costs of construction and development for various improvements located in Lubbock CAD as of the date of appraisal.

Accrued depreciation is the sum of all forms of loss affecting the contributory value of the improvements. It is the measured loss against replacement cost new taken from all forms of physical deterioration, functional and economic obsolescence. Accrued depreciation is estimated and developed based on losses typical for each property type at that specific age. Depreciation estimates have been implemented for what is typical of each major class of Commercial property by economic life categories. Estimates of accrued depreciation have been calculated for improvements with a range of variable years expected life based on observed condition considering actual age. These estimates are continually tested to ensure they are reflective of current market conditions. The actual and effective ages of improvements are noted in CAMA. Effective age estimates are based on the utility of the improvements relative to where the improvement lies on the scale of its total economic life and its competitive position in the marketplace. Effective age estimates are considered and reflected based on levels or rankings of observed condition, given actual age.

Additional forms of depreciation such as external and/or functional obsolescence can be applied if observed. A depreciation calculation 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 are typically applied to a specific condition adequacy or deficiency, property type or location and can be developed via ratio

studies or other market analyses.

The result of estimating accrued depreciation and deducting that from the estimated replacement cost new of improvements indicates the estimated contributory value of the improvements. Adding the estimated land value, as if vacant, to the contributory value of the improvements indicates a property value by the cost approach. Given relevant cost estimates and market related measures of accrued depreciation, the indicated value of the property by the cost approach is a generally accepted valuation technique.

Income Models

The income approach to value is applied to those real properties which are typically viewed by market participants as “income producing”, and for which the income methodology is considered a leading value indicator. The first step in the income approach pertains to the estimation of market rent on a per unit basis. This is derived primarily from actual rent data furnished by property owners and from local market surveys conducted by the district and by information from area rent study reviews. This per unit rental rate multiplied by the number of units results in the estimate of potential gross rent.

A vacancy and collection loss allowance is the next item to consider in the income approach. The projected vacancy and collection loss allowance is established from actual data furnished by property owners and local market survey trends. This allowance accounts for periodic fluctuations in occupancy, both above and below an estimated stabilized level. This feature may also provide for a reasonable lease-up period for multi-tenant properties, where applicable. The market derived stabilized vacancy and collection loss allowance is subtracted from the potential gross rent estimate to yield an indication of estimated annual effective gross rent to the property.

Secondary income or service income is considered and, if applicable, calculated as a percentage of stabilized effective gross rent. Secondary income represents parking income, escalations, reimbursements, and other miscellaneous income generated by the operations of real property. The secondary income estimate is derived from actual data collected and available market information. The secondary income estimate is then added to effective gross rent to arrive at an effective gross income, when applicable.

Allowable expenses and expense ratio estimates are based on a study of the local market, with the assumption of prudent management. An allowance for non-recoverable expenses such as leasing costs and tenant improvements may be included in the expenses. A non-recoverable expense represents costs that the owner pays to lease rental space. Relevant expense ratios are developed for different types of Commercial property based on use and market experience. For instance, retail properties are most frequently leased on a triple-net basis, whereby the tenant is responsible for all operating expenses, such as ad valorem taxes, insurance, and common area and property maintenance. In comparison, a general office building is most often leased on a base year expense stop. This lease type stipulates that the owner is responsible for all expenses incurred during the first year of the lease. As a result, expense ratios are implemented and estimated based on observed market experience in operating various types of Commercial property.

Another form of allowable expense is the replacement of short-lived items (such as roof or floor coverings, air conditioning or major mechanical equipment or appliances) requiring expenditures of lump sum costs. When these capital expenditures are analyzed for consistency and adjusted, they may be applied on an annualized basis as stabilized expenses. When performed according to local market practices by Commercial property type, these expenses when annualized are known as replacement reserves. For some types of property, typical management does not reflect expensing reserves and is dependent on local and industry practices.

Subtracting the allowable expenses (inclusive of non-recoverable expenses and replacement reserves when applicable) from the annual effective gross income yields an estimate of annual net operating income to the property.

Return rates and income multipliers are used to convert operating income expectations into an estimate of market value for the property under the income approach. These include income multipliers, overall capitalization rates, and discount rates. Each of these multipliers or return rates are considered and used in specific applications. Rates and multipliers may vary between property types, as well as by location, quality, condition, design, age, and other factors. Therefore, application of the various rates and multipliers must be based on a thorough analysis of the market for individual income property types and uses. These procedures are supported and documented based on analysis of market sales for these property types.

Capitalization analysis is used in the income approach models to form an indication of value. This methodology involves the direct capitalization of net operating income as an indication of market value for a specific property. Capitalization rates applicable for direct capitalization method and yield rates for estimating terminal cap rates for discounted cash flow analysis are derived from the market. Sales of improved properties from which actual income and expense data are obtained provide a very good indication of property return expectations a specific market participant is requiring from an investment at a specific point in time. Although typically less reliable than the market method, overall capitalization rates can be derived and estimated from the built-up method (band-of-investment). This more subjective method relates to satisfying estimated market return requirements of both the debt and equity positions in a real estate investment. Information is obtained from available sales of property, local lending sources, and from real estate and financial publications.

Rent loss concessions are estimated for specific properties with vacancy problems. A rent loss concession accounts for the impact of lost rental income while the building is moving toward stabilized occupancy. The rent loss is calculated by multiplying the rental rate by the percent difference of the property's stabilized occupancy and its actual occupancy. Build out allowances (for first generation space or retrofit/second generation space as appropriate) and leasing expenses are added to the rent loss estimate. The total adjusted loss from these real property operations is discounted using an acceptable risk rate. The discounted value (inclusive of rent loss due to extraordinary vacancy, build out allowances and leasing commissions) becomes the rent loss concession and is deducted from the value indication of the property at stabilized occupancy. A variation of this technique allows a rent loss deduction to be estimated for every year that the property's actual occupancy is less than stabilized occupancy.

Caution must be exercised in determining whether an adjustment is warranted. Management, operational and other factors not inherent in the fee simple value at highest and best use are not valid.

Sales Comparison (Market) Approach

Although all three of the approaches to value are based on market data, the Sales Comparison Approach is most frequently referred to as the Market Approach. This approach is utilized not only for estimating land value but also in comparing sales of similarly improved properties to parcels on the appraisal roll. As previously discussed in the Data Collection / Validation section of this report, pertinent data from actual sales of properties, both vacant and improved, is pursued throughout the year in order to obtain relevant information which can be used in all aspects of valuation. Sales of similarly improved properties can provide a basis for the depreciation schedules in the Cost Approach, rates and multipliers used in the Income Approach, and as a direct comparison in the Sales Comparison Approach. Improved sales are also used in ratio studies, which afford the appraiser an excellent means of judging the present level and uniformity of the appraised values.

Final Valuation Schedules

Based on the market data analysis and review discussed previously in the cost, income and sales approaches, the cost and income models are calibrated and finalized. The calibration results are keyed to the schedules and models in the CAMA system for utilization on all Commercial properties in the district. Market factors reflected within the cost and income approaches are evaluated and confirmed based on market sales of Commercial and Industrial properties. The appraisers review the cost, income, and sales comparison approaches to value for each of the types of properties with available sales information. The final valuation of a property is estimated based on reconciling these indications of value considering the weight of the market information available for evaluation and analysis in these approaches to value.

Statistical and Capitalization Analysis

Statistical analysis of final values is an essential component of quality control. This methodology represents a comparison of the final value against the standard and provides a concise measurement of the appraisal performance. Statistical comparisons of many different standards are used including sales of similar properties, the previous year's appraised value, audit trails, value change analysis and sales ratio analysis.

Appraisal statistics of central tendency and dispersion generated from sales ratios are calculated for each property type with available sales data. These summary statistics including, but not limited to, the weighted mean, provide the appraisers an analytical tool by which to determine both the level and uniformity of appraised value of a particular property type. The level of appraised values can be determined by the weighted mean for individual properties within a specific type, and a comparison of weighted mean ratios can reflect the general level of appraised value.

The appraisers review every Commercial property type annually through the sales

ratio analysis process. The first phase involves ratio studies that compare the recent sales prices of properties to the appraised values of the sold properties. This set of ratio studies affords the appraiser a valid means of judging the present level of appraised value and uniformity of the appraised values. The appraiser, based on the sales ratio statistics and designated parameters for valuation update, makes a preliminary decision as to whether the value level of a particular property type needs to be updated or whether the level of market value is acceptable.

Potential gross rent estimates, occupancy levels, secondary income, allowable expenses (inclusive of non-recoverables and replacement reserves), net operating income and capitalization rates and multipliers are continuously reviewed. Income model estimates and conclusions are compared to actual information obtained on individual Commercial and Industrial income properties during the protest hearings process, as well as with information from published sources and area property managers and owners.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

The date of last inspection, extent of that inspection, and the Lubbock CAD appraiser responsible are listed in the CAMA system. If a property owner disputes the District's records concerning this data in a protest hearing, CAMA may be altered based on the credibility of the evidence provided. Normally, a new field check is then requested to verify this information for the current year's valuation or for the next year's valuation. In addition, if a building permit is filed for a particular property indicating a change in characteristics, that property is added to a work file for review

Commercial appraisers are somewhat limited in the time available to field review all Commercial properties of a specific use type. However, a major effort is made by appraisers to field review as many properties as possible or economic areas experiencing large numbers of remodels, renovations, or retrofits, changes in occupancy levels or rental rates, new leasing activity, new construction, or wide variations in sale prices. The appraisers frequently field review subjective data items such as building class, quality of construction (known as cost modifiers), condition, and physical, functional and economic obsolescence factors. In some cases, field reviews are warranted when sharp changes in occupancy or rental rate levels occur between building classes or between economic areas. With preliminary estimates of value in these targeted areas, the appraisers test computer assisted values against their own appraisal judgment. While in the field, the appraisers physically inspect sold and unsold properties for comparability and consistency of values.

Office Review

Office reviews are completed on properties subject to field inspections and are performed in compliance with the guidelines required by the existing classification system. Office reviews are typically limited by the available market data presented for final value analysis. These reviews summarize the pertinent

data of each property as well as comparing the previous value to the proposed value conclusions of the various approaches to value. These evaluations and reviews show proposed value changes, income model attributes or overrides, economic factor (cost overrides) and special factors affecting the property valuation such as new construction status, and a three year sales history. The appraiser may review methodology for appropriateness to ascertain that it was completed in accordance with USPAP or more stringent statutory and district policies. This review is performed after preliminary ratio statistics have been applied. If the ratio statistics are generally acceptable overall, the review process is focused primarily on locating skewed results on an individual basis. Previous values resulting from protest hearings are individually reviewed to determine if the value remains appropriate for the current year based on market conditions.

Each parcel is subjected to the value parameters appropriate for its use type. Values are finished when the appraiser is satisfied with the level and uniformity of value for each Commercial property within their area of responsibility.

PERFORMANCE TESTS

The primary tool used to measure mass appraisal performance is the ratio study. A ratio study compares appraised values to market prices. In a ratio study, market values (value in exchange) are typically represented with the range of sale prices, i.e. a sales ratio study. Independent, expert appraisals may also be used to represent market values in a ratio study, i.e. an appraisal ratio study. If there are not enough examples of market price to provide necessary representativeness, independent appraisals can be used as indicators of market value. This can be particularly useful for Commercial or Industrial real property for which sales are limited. In addition, appraisal ratio studies can be used for properties statutorily not appraised at market value, but reflect the use-value requirement. Examples of this are multi-family housing projects subject to subsidized rent provisions or other governmental guarantees as provided by constitutionally authorized legislative statutes (affordable housing), or agricultural lands to be appraised on the basis of productivity value.

Lubbock CAD has adopted the IAAO STANDARD ON RATIO STUDIES approved April 2013 regarding its ratio study standards and practices. Ratio studies generally have six basic steps: (1) determination of the purpose and objectives, (2) data collection and preparation, (3) comparing appraisal and market data, (4) stratification, (5) statistical analysis, and (6) evaluation and application of the results.

Sales Ratio Studies

Sales ratio studies are an integral part of estimating equitable and accurate market values, and ultimately property assessments for these taxing jurisdictions. The primary uses of sales ratio studies include the determination of a need for general reappraisal; prioritizing selected groups of property types for reappraisal; identification of potential problems with appraisal procedures; assist in market analyses; and, to calibrate models used to estimate appraised values during valuation or reappraisal. However, these studies cannot be used to judge the accuracy of an individual property appraised value. The Lubbock County Appraisal Review Board may make individual value adjustments based on unequal appraisal (ratio) protest evidence submitted on a case-by-case basis

during the hearing process.

Sales ratios are generated by use type semi-annually (or more often in specific areas) to allow appraisers to review general market trends in their area of responsibility and for the Property Value Study from the Property Tax Division of the Comptroller's Office. The appraisers utilize desktop applications such as MARSHALL & SWIFT and EXCEL programs to evaluate subsets of data by economic area or a specific and unique data item. On the desktop, this may be customized and performed by building class and age basis. In many cases, field checks may be conducted to insure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics. These ratio studies aid the appraisers by providing an indication of market activity by economic area or changing market conditions (appreciation or depreciation).

Comparative Appraisal Analysis

The Commercial appraiser performs an average unit value comparison in addition to a traditional ratio study. These studies are performed on Commercially classed properties by property use type (such as apartment, office, retail and warehouse usage or special use). The objective to this evaluation is to determine appraisal performance of sold and unsold properties. Appraiser's average unit prices of sales and average unit appraised values of the same parcels and the comparison of average value changes of sold and unsold properties. These studies are conducted on substrata such as building class and on properties located within various economic areas. In this way, overall appraisal performance is evaluated geographically, by specific property type to discern whether sold parcels have been selectively appraised. When sold parcels and unsold parcels are appraised equally, the average unit values are similar. These sales and equity studies are performed prior to finalizing appraised values.

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 aircraft; and multi-location assets.

Personnel - The personal property staff consists of 5 appraisers

Elaina Rosa -	Personal Property Coordinator
Eletia Richardson -	Personal Property Appraiser
Britney Garnica -	Personal Property Appraiser
Alaissa Castillo -	Personal Property Appraiser
Eddie Montoya -	Personal Property Appraiser

Data - A common set of data characteristics for each personal property account in Lubbock CAD is collected in the field and data entered using a field appraisal card. The personal property appraisers collect the field data and maintain electronic property files making updates and changes gathered from field inspections, newspapers, property renditions, sales tax permit listings and interviews with property owners.

VALUATION APPROACH

SIC Code Analysis

Business personal property is classified and utilize four digit numeric codes, called Standard Industrial Classification (SIC) codes, that were developed by the federal government to describe property. These classifications are used by Lubbock CAD to classify personal property by business type.

SIC code identification and delineation is the cornerstone of the personal property valuation system at the district. All of the personal property analysis work done in association with the personal property valuation process is SIC code specific. SIC codes are delineated based on observable aspects of homogeneity and business use.

Highest and Best Use Analysis

The highest and best use of property is the reasonable and probable use that supports the greatest income and the highest present value as of the date of the

appraisal. The highest and best use must be physically possible, legal, financially feasible, and productive to its maximum. The highest and best use of personal property is normally its current use.

DATA COLLECTION/VALIDATION

Data Collection Procedures

Personal property data collection procedures are published and distributed to all appraisers involved in the discovery and valuation of personal property. The appraisal procedures are reviewed and revised to meet the changing requirements of field data collection.

Sources of Data

Business Personal Property

The district's property characteristic data is obtained largely through field data collection and renditions filed by property owners. From year to year, revaluation activities permit district appraisers to collect new data via an annual field inspection. This project results in the discovery of new businesses, changes in ownership, relocation of businesses, and closures of businesses not revealed through other sources. Local publications, such as newspapers, and the public often provide the district information regarding new personal property and other useful facts related to property valuation.

Vehicles

An outside vendor provides Lubbock CAD with a listing of vehicles within the jurisdiction. The vendor develops this listing from the Texas Department of Transportation (TX DOT) Title and Registration Division records. Other sources of data include property owner renditions and field inspections.

Leased and Multi-Location Assets

The primary source of leased and multi-location assets is property owner renditions. Another source of data is the field inspection process previously described for other personal property types.

VALUATION AND STATISTICAL ANALYSIS

Cost Schedules

Cost schedules are developed based on the SIC code by the Property Tax Division of the Comptroller's Office and by district personal property valuation appraisers. The 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. The schedules are typically in a price per square foot format, but some exception SIC's are expressed as a price per unit.

Statistical Analysis

Summary statistics including, but not limited to, the median, weighted mean, and standard deviation provide the appraisers analytical tools by which to

determine both the level and uniformity of appraised value by SIC code. Review of the standard deviation can discern appraisal uniformity within SIC codes.

Depreciation Schedule and Trending Factors:

Business Personal Property

Lubbock CAD's primary approach to the valuation of business personal property is the cost approach. The replacement cost new (RCN) is either developed from property owner reported historical cost or from CAD developed valuation models. The percent good depreciation factors used by Lubbock CAD are also based on published valuation guides.

Computer Assisted Personal Property Appraisal

The valuation process has two main objectives: 1) Analyze and adjust estimated asset cost with existing SIC models. 2) Develop new models for business classifications not previously integrated into appraisal software. The delineated sample is reviewed for accuracy of SIC code, square footage, field data, and original cost information. Models are created and refined using actual original cost data to derive a typical replacement cost new (RCN) per square foot for a specific category of assets. The RCN per square foot is depreciated by the estimated age using the depreciation table adopted for the tax year.

Personal Property tables are used in the business personal property valuation program to estimate the value of new accounts for which no property owner's rendition is filed. Table values are also used for testing the valuation of property for which prior data years' data exist or for which current year rendered information is available. The calculated current year value or the prior year's value is compared to the table value. If the value being tested is within an acceptable range of the model value, the account passes that range check and moves to the next valuation step. If the account fails the test, it is flagged for individual review. Allowable ranges may be adjusted from year to year depending on the analysis of the results of the prior year.

Vehicles

Value estimates for vehicles are provided by an outside vendor and are based on Red Book published book values. There are also considerations available for mileage adjustments. Vehicles that are not valued by the vendor are valued by an appraiser using published guides.

Leased and Multi-Location Assets

Leased and multi-location assets are valued using the PVF schedules mentioned above. If the asset to be valued in this category is a vehicle, then Red Book published book values are used. Assets that are not valued by the vendor are valued by an appraiser using PVF schedules or published guides.

INDIVIDUAL VALUE REVIEW PROCEDURES

Office Review

Business Personal Property

Property owner renditions, accounts with field or other data changes, accounts with prior hearings, new accounts, and SIC code cost table changes are all reviewed. The accounts are compared to appraised values of the prior year and current year model values. The appraisers review accounts as necessary for changes.

PERFORMANCE TESTS

Ratio Studies

Each year the Property Tax Division of the state comptroller's office conducts a property value study (PVS). The PVS is a ratio study used to gauge appraisal district performance. Results from the PVS play a part in school funding. Rather than a sales ratio study, the personal property PVS is a ratio study using state cost and depreciation schedules to develop comparative personal property values. These values are then compared to Lubbock CAD's personal property values and ratios are indicated.

Minerals (Oil and Gas Reserves) Valuation Process

INTRODUCTION

Appraisal Responsibility

Minerals-in-place (oil and gas reserves) are real property. Appraisal of minerals, oil and gas reserves, is based on estimating the present value of the economically recoverable reserves of oil and gas. Mineral rights are property rights and may be separable property interests from the land surface property rights. Minerals being produced are a tangible asset and are appraised for ad valorem taxation. The valuation of minerals-in-place is based on estimating the discounted net present value of the oil and gas production over the economic life of the well(s). Basically, this method of valuation is an income approach using discounted cash flow analysis methodology. Oil and Gas Properties are also marketed based on proven reserves and the unit of comparison in this market is considered in barrels of oil or in cubic feet of natural gas. The market approach is based on sales of property based on barrels of proven reserves.

Mineral interests are commonly divided into property interests known as working interests and royalty interests. The valuation of this property begins with the valuation of the mineral lease and is divided into the property interests according to division orders for each lease.

Capitol Appraisal Group is an independent valuation firm that appraises all mineral properties within the boundaries of Lubbock CAD.

Utility Property Valuation Process

INTRODUCTION

Appraisal Responsibility

Utility properties are the tangible assets of various businesses including electric production, transmission, and distribution companies, railroads, petroleum product gathering and delivery pipelines, telephone and communication providers and others. The valuation of these properties is considered to be complex due to the involvement of both tangible and intangible property elements that comprise these businesses and due to the size of some of the utilities that are regional and national companies. The appraisal of these companies becomes complex when considering the valuation of the property as a unit in place, evaluating the property by the approaches to value at the company level. Once the estimated value of the unit is determined, it is allocated based on the tangible property assets that are located within Lubbock CAD.

Lubbock CAD contracts with Capitol Appraisal Group for the valuation of utility properties.

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LIMITING CONDITIONS

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

1. The appraisals were prepared exclusively for ad valorem tax purposes.
2. The property characteristic data upon which the appraisals are based is assumed to be correct. Exterior inspections of the property appraised were performed as staff resources and time allowed. Some interior inspections of property appraised were performed at the request of the property owner and required by the district for clarification purposes and to correct property descriptions.
3. Validation of sales transactions was attempted through questionnaires to buyer and seller, telephone survey and field review. In the absence of such confirmation, Residential sales data obtained from vendors was considered reliable.
4. I have attached a list of staff providing significant mass appraisal assistance to the person signing this certification.

Certification Statement:

I, Tim Radloff, Chief Appraiser/Administrator for the Lubbock Central Appraisal District, solemnly swear that I have made or caused to be 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.

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 analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report with the exception of my homesteaded property, and I have no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, outside of my duties as Chief Appraiser of Lubbock Central Appraisal District, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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 engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment 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 opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

— my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

— I have not made a personal inspection of the properties that are the subject of this report.

— The following appraisal staff members and contractors provided significant mass appraisal assistance to the person signing this certification:

TDLR #	Staff Member/Contractor	Position
76597	Britni Adams	Land/Ag Appraiser
76797	Adan Alaniz	Residential Appraiser
77093	Alaissa Castillo	BPP Appraiser
76923	Tyrone Christopher	Residential Appraiser
77079	Carly Elliott	Residential Appraiser
74650	Scott Freeman	Commercial/Land Coordinator
76922	Britney Garnica	BPP Appraiser
73605	Amy Goble	Assistant Chief Appraiser
76128	Jeffrey Scott McCraw	Residential Coordinator
77274	Eddie Montoya	BPP Appraiser
77221	Garret Olson	Residential Appraiser
61985	Eletia Richardson	BPP Appraiser
74487	Elaina Rosa	BPP Coordinator
72035	Shelley Rosas	Senior Residential Appraiser
77294	Eric Valdez	Commercial Appraiser
76154	Christie Viles	Data Analyst
	Capitol Appraisal Group	Contractor/Consultant



 Tim Radloff RPA, RTA, CCA
 Chief Appraiser/Administrator
 TDLR# 69943

Compliant with STANDARD RULE 6 – 3 of USPAP

Signed Certification by the Chief Appraiser as required by STANDARD RULE 6 – 3 (c) (i) (ii) of USPAP

APPENDIX A
2023 ADOPTED BUDGET

LUBBOCK CENTRAL APPRAISAL DISTRICT



2023 ADOPTED BUDGET

LUBBOCK CENTRAL APPRAISAL DISTRICT

**TABLE OF CONTENTS
2023 ADOPTED BUDGET**

Summary of the Adopted Lubbock Central Appraisal District Budget.....	1
Schedule of Adopted Positions, Compensation and Benefits for 2023.....	2
Schedule of Adopted Capital Expenditures for 2023.....	3
2023 Adopted Line Item Detail.....	4-6
2023 Appraisal Division Budget Allocation to the Taxing Units.....	7
2023 Collections Division Budget Allocation to the Taxing Units.....	8
2023 Public Notice Expenditures.....	9
2023 Appraisal Review Board Expenditures.....	10
Appendix A - 2023 Budget Calendar.....	11
B - 2023 Proposed Budget Letter.....	12
C - 2023 Public Hearing Notice Letter.....	13
D - 2023 Public Hearing Notice.....	14
E - 2023 Public Hearing Memorandum.....	15
F - Resolution Adopting 2023 Budget.....	16

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED BUDGET SUMMARY**

CATEGORY: Line Item Description:	APPRAISAL DIVISION			COLLECTIONS DIVISION			COMBINED BUDGETS		
	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023
	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE
SALARIES AND WAGES	2,272,838	2,417,458	144,620	764,076	818,356	54,280	3,036,914	3,235,814	198,900
EMPLOYEE BENEFITS	1,031,930	1,141,200	109,270	352,690	399,960	47,270	1,384,620	1,541,160	156,540
MEDICARE, WORK COMP & UNEMP.	50,450	53,410	2,960	15,850	17,000	1,150	66,300	70,410	4,110
INFORMATION TECHNOLOGY	450,307	565,663	115,356	111,198	123,416	12,218	561,505	689,079	127,574
OFFICE SUPPLIES	215,020	252,203	37,183	133,100	153,373	20,273	348,120	405,575	57,455
TRANSPORTATION	61,410	62,600	1,190	360	360	0	61,770	62,960	1,190
EDUCATION, TRAIN. & CERT.	77,210	81,770	4,560	12,804	15,920	3,116	90,014	97,690	7,676
OCCUPANCY	146,955	164,740	17,785	56,765	57,380	615	203,720	222,120	18,400
OFFICE EQUIPMENT	30,160	30,730	570	6,720	7,050	330	36,880	37,780	900
PROFESSIONAL SERVICES	542,420	611,574	69,154	35,140	38,993	3,853	577,560	650,567	73,007
TOTAL: Excluding committed/obligated funds	4,878,700	5,381,347	502,647	1,488,703	1,631,808	143,105	6,367,403	7,013,154	645,751
% CHANGE 2022 vs. 2023			10.30%			9.61%			10.14%
EXPENDITURES TO BE PAID FROM COMMITTED/OBLIGATED FUNDS									
Information Technology: Capital Purchases	22,000	29,600	7,600	3,000	7,500	4,500	25,000	37,100	12,100
Building: Capital Improvements	37,500	37,500	0	6,000	6,000	0	43,500	43,500	0
Office Equipment & Autos: Capital Purchases	49,500	49,500	0	0	6,000	6,000	49,500	55,500	6,000
TOTAL COMMITTED/OBLIGATED FUNDS	109,000	116,600	7,600	9,000	19,500	10,500	118,000	136,100	18,100
TOTAL: Including committed/obligated funds	4,987,700	5,497,947	510,247	1,497,703	1,651,308	153,605	6,485,403	7,149,254	663,851
% CHANGE 2022 vs. 2023			10.23%			10.26%			10.24%
COMMITTED/OBLIGATED FUNDS									
CONTINGENCIES	243,930	269,070	25,140	44,660	48,950	4,290	288,590	318,020	29,430
TECHNOLOGY	211,572	258,705	47,134	90,706	81,381	-9,325	302,277	340,086	37,808
PROPERTY TAX CODE 6.051	652,122	652,122	0	N/A	N/A	0	652,122	652,122	0
INSURANCE DEDUCTIBLE	22,500	22,500	0	N/A	N/A	0	22,500	22,500	0
GASB CAPITAL ASSET DEPRECIATION	470,831	412,530	-58,302	83,590	74,091	-9,499	554,421	486,621	-67,801
SICK LEAVE LIABILITY	187,423	176,713	-10,710	80,540	85,545	5,005	267,963	262,258	-5,705
APPRAISAL DEFENSE	300,000	390,850	90,850	0	0	0	300,000	390,850	90,850
HOMESTEAD AUDIT	294,600	294,600	0	0	0	0	294,600	294,600	0
ELEVATOR	0	100,000	100,000	0	0	0	0	100,000	100,000
RESURFACE PARKING LOTS	0	25,000	25,000	0	0	0	0	25,000	25,000
TOTAL COMMITTED/OBLIGATED FUNDS	2,382,977	2,602,089	219,112	299,496	289,967	-9,529	2,682,473	2,892,056	209,583
ADOPTED 2023 BUDGET ALLOCATION									
Total	\$ 5,381,347						\$ 1,631,808	\$ 7,013,154	
less: Collections rent	45,000							45,000	
less: Misc. revenues	38,000						46,000	84,000	
less: Investment revenues	20,000						5,500	25,500	
ADOPTED AMOUNT TO BE ALLOCATED	\$ 5,278,347						\$ 1,580,308	\$ 6,858,654	
2022 Allocation	4,761,700						1,431,703	6,193,403	
Percent change 2022 vs. 2023	10.85%						10.38%	10.74%	
\$ Change 2022 vs. 2023	\$ 516,647						\$ 148,605	\$ 665,252	

**LUBBOCK CENTRAL APPRAISAL DISTRICT
SCHEDULE OF POSITIONS, COMPENSATION AND BENEFITS**

POSITION	2023			HEALTH, DENTAL, VISION LIFE, DISABILITY INSURANCE		TEXAS WORKMAN'S COMP UNEMPLOYMENT INSURANCE		BUDGET ALLOCATION	
	SALARY							APPR %	COLL %
CHIEF APPRAISER/ADMINISTRATOR	185,314.58	17,340.78	576.40	171.00	33,356.63	80%	20%		
ASSISTANT CHIEF APPRAISER	114,597.00	16,893.85	779.72	171.00	20,627.46	100%	0%		
INFORMATION SERV/COLLECTIONS DIRECTOR	119,091.00	16,922.25	370.42	171.00	21,436.38	30%	70%		
INFORMATION TECHNOLOGY DIRECTOR	128,079.00	16,979.05	398.38	171.00	23,054.22	50%	50%		
COLLECTIONS COORDINATOR	70,585.84	16,615.69	219.55	171.00	12,705.45	0%	100%		
COMMERCIAL COORDINATOR	81,375.00	16,683.88	553.68	171.00	14,647.50	100%	0%		
FISCAL/HR ADMINISTRATOR	116,630.00	16,906.69	362.77	171.00	20,993.40	50%	50%		
GIS COORDINATOR	93,012.19	16,757.43	289.31	171.00	16,742.19	100%	0%		
INFORMATION SERVICES MANAGER	97,250.40	16,784.21	302.49	171.00	17,505.07	50%	50%		
PERSONAL PROPERTY COORDINATOR	73,027.50	16,631.13	496.88	171.00	13,144.95	100%	0%		
RESIDENTIAL COORDINATOR	73,027.50	16,631.13	496.88	171.00	13,144.95	100%	0%		
NETWORK ADMINISTRATOR	56,238.00	16,525.02	174.92	171.00	10,122.84	70%	30%		
FACILITY MAINTENANCE TECHNICIAN	41,258.88	16,430.35	1,497.20	171.00	7,426.60	80%	20%		
COMMUNICATION/PROCEDURES ADMINISTRATOR	93,090.00	16,757.92	289.55	171.00	16,756.20	50%	50%		
AGENCY ACCOUNTANT	34,957.31	16,390.52	108.73	171.00	6,292.32	0%	100%		
AGENCY ACCOUNTING TECHNICIAN	37,856.00	16,408.84	117.75	171.00	6,814.08	0%	100%		
COLLECTIONS TECHNICIAN	29,120.00	16,353.63	90.57	171.00	5,241.60	0%	100%		
COLLECTIONS REFUND TECHNICIAN	29,120.00	16,353.63	90.57	171.00	5,241.60	0%	100%		
CUSTOMER SERVICE TECHNICIANS (4)	26,312.00-29,120.00	16,335.88 - 16,353.63	81.84-90.57	171.00	4,736.16-5,241.60	0%	100%		
TAX CERTIFICATE TECHNICIAN	34,320.00	16,386.49	106.75	171.00	6,177.60	0%	100%		
SENIOR APPRAISERS (2)	55,083.60-57,780.00	16,517.72 - 16,534.76	171.33-179.72	171.00	9,915.05-10,400.40	100%	0%		
APPRAISERS (14)	42,800.00-57,780.00	16,440.09 - 16,534.76	133.13-179.72	171.00	7,704.00-10,400.40	100%	0%		
DATA ANALYST	58,000.00	16,536.15	180.40	171.00	10,440.00	100%	0%		
APPRAISAL ADMINISTRATIVE ASSISTANT	52,592.64	16,501.98	163.58	171.00	9,466.68	100%	0%		
APPRAISAL TECHNICIAN (2)	36,052.50-39,820.44	16,397.44-16,421.26	112.14-123.86	171.00	6,489.45-7,167.68	100%	0%		
INFORMATION TECHNICIANS (DATA) (4)	26,313.00-31,720.00	16,335.63-16,370.06	81.84-98.66	171.00	4,736.34-5,709.60	50%-100%	50%		
INFORMATION TECHNICIANS (RECORDS) (6)	29,120.00-44,711.00	16,353.63-16,452.17	90.57-139.07	171.00	5,241.60-8,047.98	50%-100%	50%-100%		
GIS ANALYST	70,116.88	16,612.73	218.09	171.00	12,621.04	100%	0%		
MAP/DEED SPECIALISTS (2)	35,115.23-35,360.00	16,391.52-16,393.07	109.22-109.98	171.00	6,320.74-6,364.80	100%	0%		
MAP/DEED TECHNICIAN	29,120.00	16,353.63	90.57	171.00	5,241.60	100%	0%		
GIS TECHNICIAN	60,320.00	16,550.81	187.62	171.00	10,857.60	100%	0%		
TOTAL: SALARIES/BENEFITS	3,136,695.59	960,230.00	15,270.00	9,910.00	575,630.00				

Appraisal
Collections

42.60
15.40

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED CAPITAL EXPENDITURES FROM
COMMITTED/OBLIGATED FUNDS**

1. INFORMATION TECHNOLOGY	Total	Appraisal	Collections
New Desktop PC's	15,000	7,500	7,500 (1)
Field Devices	15,000	15,000	(1)
GIS Interactive Map - One time set up fee	2,100	2,100	(2)
ARB Upgrades-TV's Projectors, Microphones, Video Conferencing	5,000	5,000	(1)
2. BUILDING: CAPITAL IMPROVEMENTS			
General Building Improvements	23,500	23,500	(1)
Update Security Cameras	20,000	14,000	6,000 (1)
3. OFFICE EQUIPMENT & AUTOS: CAPITAL PURCHASES			
Autos (3)	49,500	49,500	(1)
Check Scanners (2)	6,000		6,000 (1)
4. SUMMARY OF CATEGORY REQUESTS			
Information Technology	37,100	29,600	7,500
Building: Capital Improvements	43,500	37,500	6,000
Office Equipment & Autos: Capital Purchases	55,500	49,500	6,000
TOTAL 2023 ADOPTED CAPITAL EXPENDITURES	136,100	116,600	19,500
Charge to:			
(1) - Capital Asset Depreciation	134,000	114,500	19,500
(2) - Technology	2,100	2,100	0
	136,100	116,600	19,500

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED BUDGET DETAIL**

CATEGORY: Line Item Description:	APPRAISAL DIVISION			COLLECTIONS DIVISION			COMBINED BUDGETS		
	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023
	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE
SALARIES and WAGES:									
Salaries/Wages	2,217,700	2,360,810	143,110	723,030	775,890	52,860	2,940,730	3,136,700	195,970
Overtime	43,360	44,870	1,510	27,190	28,610	1,420	70,550	73,480	2,930
Temporary Help	11,778	11,778	0	13,856	13,856	0	25,634	25,634	0
TOTAL: SALARIES and WAGES	2,272,838	2,417,458	144,620	764,076	818,356	54,280	3,036,914	3,235,814	198,900
EMPLOYEE BENEFITS:									
Group Health Insurance	615,210	698,080	82,870	214,790	252,120	37,330	830,000	950,200	120,200
Disability Insurance	7,100	7,550	450	2,310	2,480	170	9,410	10,030	620
Retirement	405,690	431,680	25,990	134,220	143,950	9,730	539,910	575,630	35,720
Employee Recognition	3,930	3,890	-40	1,370	1,410	40	5,300	5,300	0
TOTAL: EMPLOYEE BENEFITS	1,031,930	1,141,200	109,270	352,690	399,960	47,270	1,384,620	1,541,160	156,540
MEDICARE, WORK COMP & UNEMPLOYMENT:									
Medicare	31,510	33,550	2,040	10,890	11,680	790	42,400	45,230	2,830
Worker's Compensation	11,840	12,580	740	2,480	2,690	210	14,320	15,270	950
State Unemployment Insurance	7,100	7,280	180	2,480	2,630	150	9,580	9,910	330
TOTAL: M' CARE, W. COMP & UNEMPL.	50,450	53,410	2,960	15,850	17,000	1,150	66,300	70,410	4,110
INFORMATION TECHNOLOGY:									
Stock Computer Paper	7,800	11,500	3,700	3,340	5,370	2,030	11,140	16,870	5,730
Offset Printing	41,260	46,680	5,420	13,780	17,070	3,290	55,040	63,750	8,710
Printer Toner/link	4,038	5,038	1,000	4,038	5,098	1,060	8,076	10,136	2,060
Repairs/Miscellaneous Supplies	1,730	1,730	0	980	980	0	2,710	2,710	0
Hardware & Software Maintenance	364,520	453,930	89,410	82,510	88,160	5,650	447,030	542,090	95,060
Personal Computer Hardware & Software	25,959	41,785	15,826	1,550	1,738	188	27,509	43,523	16,014
Consulting Fees	5,000	5,000	0	5,000	5,000	0	10,000	10,000	0
TOTAL: INFORMATION TECHNOLOGY	450,307	565,663	115,356	111,198	123,416	12,218	561,505	689,079	127,574
OFFICE SUPPLIES:									
Stationery/Office Supplies	15,610	29,320	13,710	17,450	26,290	8,840	33,060	55,610	22,550
Photocopy Supplies	3,880	5,373	1,493	3,880	5,373	1,493	7,760	10,745	2,985
Forms and Printed Matter	5,080	9,080	4,000	3,080	3,280	200	8,160	12,360	4,200
Document Storage/Microfilm Related	3,990	3,990	0	3,740	3,770	30	7,730	7,760	30
Postage and Freight	170,000	186,280	16,280	100,170	112,780	12,610	270,170	299,060	28,890
Ads/Publications	11,500	13,200	1,700	3,800	900	-2,900	15,300	14,100	-1,200
Books and Subscriptions	4,960	4,960	0	980	980	0	5,940	5,940	0
TOTAL: OFFICE SUPPLIES	215,020	252,203	37,183	133,100	153,373	20,273	348,120	405,575	57,455

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED BUDGET DETAIL**

CATEGORY: Line Item Description:	APPRAISAL DIVISION			COLLECTIONS DIVISION			COMBINED BUDGETS		
	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023
	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE
TRANSPORTATION:									
Automobile Maintenance	17,390	18,390	1,000	0	0	0	17,390	18,390	1,000
Automobile Parking	500	500	0	150	150	0	650	650	0
Automobile Insurance	24,310	24,500	190	0	0	0	24,310	24,500	190
Automobile Fuel/Mileage Reimbursement	19,210	19,210	0	210	210	0	19,420	19,420	0
TOTAL: TRANSPORTATION	61,410	62,600	1,190	360	360	0	61,770	62,960	1,190
EDUCATION, TRAINING, CERTIFICATION:									
Registration Fees	25,590	27,970	2,380	3,654	4,720	1,066	29,244	32,690	3,446
Transportation	21,060	21,160	100	3,690	4,650	960	24,750	25,810	1,060
Lodging	24,550	26,550	2,000	3,790	4,750	960	28,340	31,300	2,960
Meals	4,760	4,840	80	1,040	1,170	130	5,800	6,010	210
Tuition Reimbursement	1,250	1,250	0	630	630	0	1,880	1,880	0
TOTAL: EDUCATION, TRAIN. & CERT.	77,210	81,770	4,560	12,804	15,920	3,116	90,014	97,690	7,676
OCCUPANCY:									
Building Rent	0	0	0	45,000	45,000	0	45,000	45,000	0
Building Repair & Maintenance	15,400	22,800	7,400	0	0	0	15,400	22,800	7,400
Janitorial Services	36,700	36,700	0	0	0	0	36,700	36,700	0
Gas	3,500	3,600	100	0	0	0	3,500	3,600	100
Electricity	28,000	30,000	2,000	0	0	0	28,000	30,000	2,000
Water	3,700	4,000	300	0	0	0	3,700	4,000	300
Sewer/Sanitation	2,200	2,500	300	0	0	0	2,200	2,500	300
Janitorial Supplies	5,200	5,500	300	0	0	0	5,200	5,500	300
Telephone: Base Charge & Misc.	20,790	23,400	2,610	8,830	9,250	420	29,620	32,650	3,030
Telephone: Long Distance	595	0	-595	255	0	-255	850	0	-850
Multi-Peril Insurance (Fire & Casualty)	20,100	24,170	4,070	2,240	2,680	440	22,340	26,850	4,510
Umbrella Liability Insurance	2,070	2,480	410	0	0	0	2,070	2,480	410
Employee Theft & Embezzlement Bond	700	730	30	300	310	10	1,000	1,040	40
Public Officials Liability Insurance	6,600	8,040	1,440	0	0	0	6,600	8,040	1,440
Notary Public Bond	210	140	-70	140	140	0	350	280	-70
Computer/Electronic Equipment Ins.	1,190	680	-510	0	0	0	1,190	680	-510
TOTAL: OCCUPANCY	146,955	164,740	17,785	56,765	57,380	615	203,720	222,120	18,400
OFFICE EQUIPMENT:									
Fax Machines: Maintenance Charges	0	0	0	0	0	0	0	0	0
Copier: Lease Purchase	12,530	12,950	420	5,370	5,550	180	17,900	18,500	600
Post Office Box Rental	1,350	1,500	150	1,350	1,500	150	2,700	3,000	300
Postage Meter Equipment	16,280	16,280	0	0	0	0	16,280	16,280	0
Microfilm Equipment Maintenance	0	0	0	0	0	0	0	0	0
Telephone System: Maintenance & Misc.	0	0	0	0	0	0	0	0	0
Other Equipment Maintenance	0	0	0	0	0	0	0	0	0
TOTAL: OFFICE EQUIPMENT	30,160	30,730	570	6,720	7,050	330	36,880	37,780	900

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED BUDGET DETAIL**

CATEGORY: Line Item Description:	APPRAISAL DIVISION			COLLECTIONS DIVISION			COMBINED BUDGETS		
	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023	2022	2023	2022 vs 2023
	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE	BUDGET	BUDGET	\$ CHANGE
PROFESSIONAL SERVICES									
Attorney Consulting Fees	96,500	139,000	42,500	4,000	4,000	0	100,500	143,000	42,500
Accounting/Audit Fees	14,630	17,260	2,630	18,770	20,900	2,130	33,400	38,160	4,760
Complex Property Appraisal Fees	76,500	77,500	1,000	0	0	0	76,500	77,500	1,000
Information Services Fees	5,240	5,494	254	0	0	0	5,240	5,494	254
Armored Car/Mail Service	0	0	0	2,750	3,273	523	2,750	3,273	523
Boards and Commissions	288,560	310,310	21,750	0	0	0	288,560	310,310	21,750
Appraisal Consulting Fees	50,000	50,000	0	0	0	0	50,000	50,000	0
Architectural Consulting	350	350	0	150	150	0	500	500	0
Court Costs/Filing Fees	0	0	0	950	950	0	950	950	0
Bank Service Charges	0	0	0	0	0	0	0	0	0
Professional Association Dues	9,080	9,860	780	1,140	1,440	300	10,220	11,300	1,080
Security Services	1,060	1,060	0	7,200	8,100	900	8,260	9,160	900
Pre-Employment Physicals	500	740	240	180	180	0	680	920	240
TOTAL: PROFESSIONAL SERVICES	542,420	611,574	69,154	35,140	38,993	3,853	577,560	650,567	73,007
TOTAL: Excluding committed/obligated funds	4,878,700	5,381,347	502,647	1,488,703	1,631,808	143,105	6,367,403	7,013,154	645,752
% CHANGE 2022 vs. 2023			10.30%			9.61%			10.14%
EXPENDITURES TO BE PAID FROM COMMITTED/OBLIGATED FUNDS									
Information Technology: Capital Purchases	22,000	29,600	7,600	3,000	7,500	4,500	25,000	37,100	12,100
Building: Capital Improvements	37,500	37,500	0	6,000	6,000	0	43,500	43,500	0
Office Equipment & Autos: Capital Purchases	49,500	49,500	0	0	6,000	6,000	49,500	55,500	6,000
TOTAL: Including committed/obligated funds	4,987,700	5,497,947	510,247	1,497,703	1,651,308	153,605	6,485,403	7,149,254	663,852
% CHANGE 2022 vs. 2023			10.23%			10.26%			10.24%
COMMITTED/OBLIGATED FUNDS									
CONTINGENCIES	243,930	269,070	25,140	44,660	48,950	4,290	288,590	318,020	29,430
TECHNOLOGY	211,572	258,705	47,134	90,706	81,381	-9,325	302,277	340,086	37,808
PROPERTY TAX CODE 6.051	652,122	652,122	0	N/A	N/A	0	652,122	652,122	0
INSURANCE DEDUCTIBLE	22,500	22,500	0	N/A	N/A	0	22,500	22,500	0
GASB CAPITAL ASSET DEPRECIATION	470,831	412,530	-58,302	83,590	74,091	-9,499	554,421	486,621	-67,801
SICK LEAVE LIABILITY	187,423	176,713	-10,710	80,540	85,545	5,005	267,963	262,258	-5,705
APPRAISAL DEFENSE	300,000	390,850	90,850	0	0	0	300,000	390,850	90,850
HOMESTEAD AUDIT	294,600	294,600	0	0	0	0	294,600	294,600	0
ELEVATOR	0	100,000	100,000	0	0	0	0	100,000	100,000
RESURFACE PARKING LOTS	0	25,000	25,000	0	0	0	0	25,000	25,000
TOTAL COMMITTED/OBLIGATED FUNDS	2,382,977	2,602,089	219,112	299,496	289,967	-9,529	2,682,473	2,892,056	209,583

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED APPRAISAL BUDGET ALLOCATION**

\$5,278,347

SCHOOLS	2022 Levy	PERCENT OF TOTAL	ALLOCATION	QUARTERLY PAYMENT
Frenship	\$ 79,701,815	13.9217%	\$ 734,838.00	\$ 183,709.50
Idalou	4,424,575	0.7729%	40,794.00	10,198.50
Lubbock-Cooper	67,610,242	11.8097%	623,355.00	155,838.75
Lubbock	146,423,497	25.5762%	1,349,999.00	337,499.75
New Deal	6,684,207	1.1676%	61,627.00	15,406.75
Roosevelt	3,660,862	0.6395%	33,752.00	8,438.00
Shallowater	7,136,717	1.2466%	65,799.00	16,449.75
Slaton	7,333,595	1.2810%	67,615.00	16,903.75
Lorenzo	109,913	0.0192%	1,013.00	253.25
Abernathy	1,172,940	0.2049%	10,814.00	2,703.50
Southland	8,094	0.0014%	74.00	18.50
CITIES				
Idalou	\$ 771,605	0.1348%	\$ 7,114.00	\$ 1,778.50
Lubbock	109,963,490	19.2076%	1,013,844.00	253,461.00
New Deal	291,911	0.0510%	2,691.00	672.75
Ransom Canyon	1,064,910	0.1860%	9,818.00	2,454.50
Shallowater	1,535,743	0.2683%	14,159.00	3,539.75
Slaton	1,476,289	0.2579%	13,611.00	3,402.75
Wolfforth	4,331,039	0.7565%	39,931.00	9,982.75
Abernathy	176,405	0.0308%	1,626.00	406.50
SPECIAL DISTRICTS				
Lubbock County	\$ 97,101,770	16.9610%	\$ 895,261.00	\$ 223,815.25
Hospital District	30,150,765	5.2665%	277,985.00	69,496.25
Water District	1,369,528	0.2392%	12,627.00	3,156.75
TOTALS	\$ 572,499,914	100.00%	\$ 5,278,347.00	\$ 1,319,586.75

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED COLLECTIONS BUDGET ALLOCATION**
\$1,580,308

TAXING UNITS	2022								
LUBBOCK COUNTY	157,775								
LUBBOCK ISD	81,239								
CITY OF LUBBOCK	116,551								
FRENSHIP ISD	29,523		3.58	=				\$ 105,692.00	
CITY OF SLATON	3,654		3.58	=				13,081.00	
CITY OF WOLFFORTH	3,145		3.58	=				11,259.00	
SLATON ISD	5,336		3.58	=				19,103.00	
ROOSEVELT ISD	5,971		3.58	=				21,376.00	
NEW DEAL ISD	3,969		3.58	=				14,209.00	
SHALLOWATER ISD	4,751		3.58	=				17,009.00	
IDALOU ISD	3,785		3.58	=				13,550.00	
CITY OF NEW DEAL	499		3.58	=				7,902.00 (minimum - 1/2 of 1%)	
CITY OF IDALOU	1,230		3.58	=				7,902.00 (minimum - 1/2 of 1%)	
LUBBOCK-COOPER ISD	22,152		3.58	=				79,304.00	
TOWN OF RANSOM CANYON	798		3.58	=				7,902.00 (minimum - 1/2 of 1%)	
CITY OF SHALLOWATER	1,570		3.58	=				7,902.00 (minimum - 1/2 of 1%)	
	441,948							\$ 326,191.00	

	2022	2022	% of	2022	% of	Col 2 x	% of
Parcels	Parcels	Levy	Total	Levy	Total	Col 4	Total
Budget	1,580,308						
Parcels	441,948						
Per Parcel	3.58						
Lubbock ISD	81,239	\$	12.1051%	146,423.497	38.0312%	4.6037%	54.909%
City of Lubbock	116,551		17.3668%	109,963.490	28.5613%	4.9602%	34.041%
Lubbock County	157,775		23.5094%	97,101.770	25.2206%	5.9292%	10.570%
Hospital District	157,775		23.5094%	30,150.765	7.8312%	1.8411%	0.480%
Water District	157,775		23.5094%	1,369.528	0.3557%	0.0836%	
	671,115	\$	100.0000%	385,009.051	100.0000%	17.4178%	100.000%

2023 Collections budget to be allocated:
 less Frenship ISD, City of Slaton, City of Wolfforth, Slaton ISD, Roosevelt ISD, New Deal ISD, Shallowater ISD
 Idalou ISD, City of New Deal, City of Idalou, Lubbock-Cooper ISD, Town of Ransom Canyon, City of Shallowater..... \$ 1,580,308
 (326,191)
 \$ 1,254,117

2023 ADOPTED ALLOCATION	TOTAL	QUARTERLY PAYMENT
Roosevelt ISD	\$ 21,376.00	\$ 5,344.00
New Deal ISD	14,209.00	3,552.25
Shallowater ISD	17,009.00	4,252.25
Frenship ISD	105,692.00	26,423.00
Idalou ISD	13,550.00	3,387.50
Slaton ISD	19,103.00	4,775.75
Lubbock-Cooper ISD	79,304.00	19,826.00
City of Slaton	13,081.00	3,270.25
City of Wolfforth	11,259.00	2,814.75
City of New Deal	7,902.00	1,975.50
City of Idalou	7,902.00	1,975.50
Town of Ransom Canyon	7,902.00	1,975.50
City of Shallowater	7,902.00	1,975.50
Lubbock ISD (55%)	378,743.00	94,685.75
City of Lubbock (45%)	309,880.00	77,470.00
Lubbock County	426,914.00	106,728.50
Hospital District	132,560.00	33,140.00
Water District	6,020.00	1,505.00
TOTALS	\$ 1,580,308.00	\$ 395,077.00

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED BUDGET
PUBLIC NOTICE EXPENDITURES**

DESCRIPTION	Tax Code	Appraisal	Collections	Prior Actual
Open space valuation & Application for exemption (2)	23.43,23.54	500.00	-	418.70
Rendition statements and property reports (2)	22.21	400.00	-	365.80
Established procedures for market value of inventory (2)	23.12	400.00	-	377.30
Protest procedures (2) 1 required	41.70	6,000.00		5,396.58
Latino Lubbock Magazine	41.70	1,600.00		1,485.00
Notice of Availability of Electronic Communications (1)	1.085(h)(1)	300.00		294.50
Budget Summary (1)	6.062	3,000.00		2,858.08
Delinquent Tax Information/Over 65 Deferral Legal Notice (1)	33.06,33.065		600.00	542.90
Total		12,200.00	600.00	11,738.86

**LUBBOCK CENTRAL APPRAISAL DISTRICT
2023 ADOPTED BUDGET
APPRAISAL REVIEW BOARD EXPENDITURES**

Line Item	Description	Amount
Salaries & Wages	Clerical Assistance	25,194.00
Salaries & Wages	Temporary Help	8,313.60
Public Officials Liability Insurance	Insurance	1,708.50
Boards & Commissions	ARB Member Pay	225,915.00
Boards & Commissions	Meals	2,550.00
Boards & Commissions	ARB Attorney	15,200.00
Boards & Commissions	Security Guard for ARB Hearings	20,000.00
Forms & Printed Matter	ARB Rights & Remedies	3,800.00
Forms & Printed Matter	ARB Protest Procedures	3,800.00
Office Supplies	Envelopes/Paper	800.00
Postage & Freight	Hearing Notification	7,920.00
Postage & Freight	Certified Mail - ARB Orders	21,040.00
Building Information Technology	ARB Meeting Rooms	54,000.00
	Hardware and Software	3,000.00
Total Expenditures Related to Appraisal Review Board		393,241.10

2023 BUDGET CALENDAR

- April 4 - April 22, 2022** Staff development of preliminary proposed budget.
- May 25, 2022** Review budget calendar during appraisal district board meeting.
- June 3, 2022** Chief Appraiser finalizes proposed budget.
- June 14, 2022** 2023 proposed budget mailed to each taxing unit and each appraisal district board member.
- June 29, 2022** Budget review during appraisal district board meeting.
- July 1, 2022** Chief Appraiser publishes notice of public hearing for 2023 Budget.
- July 1, 2022** Secretary of the Board of Directors delivers 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 public hearing to consider the 2023 appraisal district budget.
- July 27, 2022** Public hearing on the 2023 budget.
- August 24, 2022** Appraisal District Board of Directors adopt the 2023 appraisal district budget.

June 13, 2022

**This letter was mailed to top administrative officials of each taxing unit and
LCAD Board of Directors.**

Enclosed please find your copy of the 2023 proposed appraisal district budget. Our 2023 budget proposed for adoption is an increase of 10.14%. The amount to be allocated to the taxing units for payment is an increase of 10.74%. The portions of these proposed appraisal and collections budgets to be paid by each taxing unit are included on pages 7 and 8 respectively.

Preliminary allocations of the appraisal division and the collections division budgets are based on 2021 parcel counts and 2021 tax levies. Final allocations will be based on certified 2022 parcel counts and adopted 2022 tax rates and levies when those are established by all taxing units. If you anticipate a significant increase or decrease in your 2022 tax levy compared to that of 2021, I would suggest you consider adjusting your allocated amount(s) accordingly when making projections during your budget process for the coming year.

Your participation in this budget process is encouraged, and I would welcome the opportunity to answer any questions and consider any suggestions you may have concerning the proposed budget. The board is scheduled to adopt a budget at their regular meeting August 24, 2022.

Respectfully submitted,



Tim Radloff

Enclosure

cc: letter only, no enclosure

«cc»

«cc_2»

June 29, 2022

This was emailed to top administrative officials of each taxing unit.

Attached is a copy of the required notice of public hearing to consider the 2023 proposed appraisal budget for the Lubbock Central Appraisal District. The notice will be published in the July 1, 2022, edition of the Lubbock Avalanche Journal. It must be published in a newspaper of general circulation in the county and may not be smaller than one-quarter page in size. This notice is only for the appraisal portion of the budget. Our collections budget is governed by the contracts we have with those entities for whom we collect.

One requirement of the publication that I want you to be aware of is that the notice must state, "a copy of the proposed budget is available for public inspection in the office of each of those governing bodies". This may create inquiries from individuals in your jurisdiction wanting to review the proposed budget. The notice also contains a statement that the proposed budget is available for inspection at the appraisal district office as well. If you have public inquiries about the budget and would like our office to handle them, please do not hesitate to refer the individuals to me.

Sincerely,

Tim Radloff

NOTICE OF PUBLIC HEARING

The Lubbock Central Appraisal District will hold a public hearing on a proposed appraisal budget for the 2023 fiscal year.

The public hearing will be held on July 27, 2022 at 3:00 p.m. in the board room of the Lubbock Central Appraisal District-2109 Avenue Q – Lubbock, Texas.
(806-762-5000)

A summary of the appraisal budget follows:

The total amount of the proposed appraisal budget is \$5,381,347. The total amount of increase from the current year's appraisal budget is \$502,647.

The amount of committed/obligated funds is \$2,602,089. The amount of increase from the current year's committed/obligated funds is \$219,112.

An estimate of the amount of the appraisal budget that will be allocated to the taxing units is \$5,278,347. The amount of increase from the current year's appraisal budget allocated to the taxing units is \$516,647.

The number of employees compensated under the proposed appraisal budget will be 42.60 (full-time equivalent).

The number of employees compensated under the current appraisal budget is 41.50 (full-time equivalent).

The appraisal district is supported solely by payments from the local taxing units served by the appraisal district.

If approved by the appraisal district board of directors at the public hearing, this proposed budget will take effect automatically unless disapproved by the governing bodies of the county, school districts, cities, and towns served by the appraisal district.

A copy of the proposed budget is available for public inspection in the office of each of those governing bodies. A copy is also available for public inspection at the appraisal district office.

LUBBOCK CENTRAL APPRAISAL DISTRICT

Board of Directors

Greg Jones

Noe Reynolds Bobby McQueen

Sonny Garza Brady Goen

MEMORANDUM

TO: PRESIDING OFFICERS OF THE GOVERNING BODIES OF ALL
TAXING UNITS

FROM: BOBBY MCQUEEN, SECRETARY
BOARD OF DIRECTORS



DATE: JULY 1, 2022

SUBJECT: PUBLIC HEARING FOR APPRAISAL DISTRICT BUDGET
REQUIRED BY SECTION 6.06(b), TEXAS PROPERTY TAX
CODE

The Lubbock Central Appraisal District will hold a hearing for the general public on the 2023 proposed budget in accordance with Section 6.06(b), Texas Property Tax Code. The date, time and location of this hearing are as follows:

DATE: Wednesday, July 27, 2022

TIME: 3:00 p.m.

LOCATION: Lubbock Central Appraisal District
Board Room
2109 Avenue Q
Lubbock, Texas 79411

On June 13, 2022, the Chief Appraiser mailed a copy of the proposed budget to the chief administrative officer of your jurisdiction. The board of directors reviewed the budget during our regular monthly board meeting on June 29, 2022. At our August 24, 2022, meeting the board will adopt a budget for 2023.

If you have questions or comments concerning the proposed budget, please have a staff member of your jurisdiction contact Tim Radloff at the appraisal district office. If there are issues that are still not resolved to your satisfaction, I would invite you to contact our Board Chairman, Greg Jones, yourself, before Friday, August 19, 2022. He may be reached by calling 776-2208.

Thank you for your continued support of and cooperation with your appraisal district.

cc: LCAD Board Members
Tim Radloff

RESOLUTION

WHEREAS, the Lubbock Central Appraisal District Board of Directors has held a public hearing for the purpose of hearing comments from the general public concerning the 2023 appraisal budget; and,

WHEREAS, the Lubbock Central Appraisal District is in compliance with all notices required by Section 6.06 of the Property Tax Code; and,

WHEREAS, the Lubbock Central Appraisal District developed this budget in accordance with applicable Governmental Accounting Standards Board Statements including, but not limited to No's 34, 54, and 68.

NOW THEREFORE:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LUBBOCK CENTRAL APPRAISAL DISTRICT:

THAT, the total combined budgets to be spent or obligated to be spent in the amount of \$9,905,211 be adopted for the 2023 calendar/fiscal year with the appraisal budget being in the amount of \$7,983,436 and the assessment/collections budget being in the amount of \$1,921,775, and the total amounts of the budgets are hereby appropriated to the several line items and committed/obligated funds comprising the Lubbock Central Appraisal District budgets; and,

THAT, the combined budgeted committed/obligated funds included in the total budgets above are \$2,892,056 with the appraisal budgeted committed/obligated funds being in the amount of \$2,602,089 and the assessment/collections budgeted committed/obligated funds being in the amount of \$289,967; and,

THAT, the amount of the combined budgets excluding budgeted committed/obligated funds is \$7,013,155 with the appraisal budget being in the amount of \$5,381,347 and the assessment/collections budget being in the amount of \$1,631,808; and,

THAT, the Chief Appraiser/Administrator has the authority to execute line item transfers save and except capital expenditures and committed/obligated funds so long as the transferred amounts do not exceed the aggregate amount of the operating budgets as adopted; and, that a report for each month shall show expenditures by line item; and

THAT, the amounts to be allocated to the taxing units within the boundaries of the Lubbock Central Appraisal District for the appraisal budget is \$5,278,347 and the assessment/collection budget to be allocated is \$1,580,308.

Passed by the Board of Directors this 24th day of August, 2022.


~~Greg Jones, Chairman~~ Nae Reynolds, Vice Chairman
Board of Directors

ATTEST:



Bobby McQueen, Secretary
Board of Directors

APPENDIX B1
NOTICE OF
PUBLIC HEARING

LUBBOCK CENTRAL APPRAISAL DISTRICT
Board of Directors
Sonny Garza Brady Goen
Greg Jones Bobby McQueen
Noe Reynolds

MEMORANDUM

TO: PRESIDING OFFICERS OF THE GOVERNING BODIES OF ALL
 TAXING UNITS

FROM: BOBBY MCQUEEN, SECRETARY 
 BOARD OF DIRECTORS

DATE: AUGUST 3, 2022

SUBJECT: PUBLIC HEARING TO CONSIDER THE 2023-2024 REAPPRAISAL
 PLAN REQUIRED BY SECTION 6.05(i), TEXAS
 PROPERTY TAX CODE

The Lubbock Central Appraisal District board will hold a public hearing to consider the 2023-2024 Reappraisal Plan in accordance with Section 6.05(i), Texas Property Tax Code. The date, time and location of this hearing are as follows:

DATE: Wednesday, August 24, 2022

TIME: 3:00 p.m.

LOCATION: Lubbock Central Appraisal District
 Board Room
 2109 Avenue Q
 Lubbock, Texas 79411

Thank you for your continued support of and cooperation with the appraisal district.

cc: LCAD Board Members
 Tim Radloff

APPENDIX B2

BOARD RESOLUTION

OF FINAL APPROVAL

RESOLUTION

WHEREAS, the Lubbock Central Appraisal District Board of Directors has held a public hearing for the purpose of considering the proposed 2023-2024 Reappraisal Plan; and,


WHEREAS, the Lubbock Central Appraisal District is in compliance with all notices required by Section 6.05(i) of the Property Tax Code;

NOW THEREFORE:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LUBBOCK CENTRAL APPRAISAL DISTRICT:

THAT, the 2023-2024 Reappraisal Plan is hereby finally approved.

Passed by the Board of Directors this 24th day of August, 2022.


~~Greg Jones, Chairman~~ Noe Reynolds, Vice Chairman
Board of Directors

ATTEST:


Bobby McQueen, Secretary
Board of Directors