

BOARD OF DIRECTORS OF THE  
McLENNAN COUNTY APPRAISAL DISTRICT

**NOTICE OF PUBLIC MEETING OF THE BOARD OF DIRECTORS**

Take notice that a meeting of the Board of Directors of the McLennan County Appraisal District will be held on August 12, 2020, at 9:00 A.M., by videoconference, as outlined on the agenda below. Due to health and safety concerns related to the COVID-19 coronavirus, this meeting will not be open to the public and will be conducted by videoconference. At least a quorum of the board will be participating by videoconference in accordance with the provisions of Sections 551.125 or 551.127 of the Texas Government Code that have not been suspended by order of the governor. Members of the public may access this meeting as follows:

- <https://www.gotomeet.me/McLennanCAD>
- or by phone +1 (872) 240-3212, Access Code: 464-795-957.

Public comments related to this meeting must be submitted prior to August 11<sup>th</sup>, at 11:59 P.M. via email to [ca@mclennanad.org](mailto:ca@mclennanad.org), or by voicemail at 254-752-9860. Timely submitted comments will be read or played at the start of the meeting.

I hereby certify that such notice was posted by 5:00 P.M. August 7, 2020, at McLennan County Appraisal District 's website at [http://www.mclennanad.org/General\\_Info](http://www.mclennanad.org/General_Info) in accordance with govt code 551.05.

  
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JOE DON BOBBITT  
ACTING CHIEF APPRAISER

BOARD OF DIRECTORS VIDEO CONFERENCE MEETING  
AUGUST 12, 2020, 9:00 A.M.  
MCLENNAN COUNTY APPRAISAL DISTRICT  
315 S. 26<sup>TH</sup> STREET, WACO, TX 76710  
**Agenda**

Meeting Called To Order

**Public Comment**

**Business Session**

**Items Requiring Board Action**

1. Minutes of May 14, 2020 meeting
2. Public Hearing on 2021 Budget
3. Public Hearing on 2021-2022 Reappraisal Plan
4. Contract with Waco Convention Center for ARB Hearing location
5. Supplemental HR services contract with SGR

**Discussion Items**

6. Financial statements

**Management And Committee Reports**

7. Taxpayer Liaison report.
8. Chief appraiser report to include updates regarding: appraisals, preliminary totals, arb, arbitrations, lawsuits, training & education, open records requests, MCAD building, MCAD contracts, PVS results, relevant AG opinions and miscellaneous issues

**Executive Session**

- a. The appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of an officer or employee, supervisor, chief appraiser (Tex. Govt. Code sec.551.074) (a)
- b. A private consultation with the board's attorney on matters in which the duty of the attorney to the governmental body under the Texas disciplinary rules of professional conduct of the state bar of Texas clearly conflicts with the open meetings act or pending or contemplated litigation or settlement offer, as authorized by law (Tex. Govt. Code section 551.071) ) 2018-3831-5 SANDY CREEK ENERGY ASSOC LP; 2019-2897-4 OWENS-BROCKWAY GLASS CONTAINER INC
- c. Note for agenda items under this heading: the board of directors will be in closed session for these items.  
For any agenda items *not* under this heading: If during the course of the meeting covered by this notice, the board should determine that any business session item is permitted/eligible for a closed or executive meeting or session of the board and/or is required for such item, then a closed or executive meeting or session will be held as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551 for any such item(s).

**Business Session (Continued)**

**Other Items**

9. Set agenda items, and next meeting date/time
  - a. November – Health Insurance, Contracts
10. Adjournment

***Videoconference Info***

<https://www.gotomeet.me/McLennanCAD>

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McLENNAN COUNTY  APPRAISAL DISTRICT

June 15, 2020

Dear Valued Participating Entity:

As we contemplate the 2021 budget for the District, which is attached and represents a small decrease over last year's budget, we want to make you aware of other fiscally responsible actions taken on your behalf by the District.

The current philosophy is to commit and maintain funds for reasonably anticipated expenses for approximately a quarter of our annual budget. For the 2019 budget year, the District collected \$411k more from you than was spent on the operations of the District. The overages are mainly in unfilled positions and court costs that have been rescheduled to 2021. Given the current financial difficulties we are all facing, the Board of Directors have elected to refund the entire excess back to the entities collectively.

This credit will be applied on your fiscal Fourth Quarter invoice, which will be mailed to you on August 15, 2020. Later this month you will receive a worksheet showing your anticipated revised payment for the upcoming quarter.

We appreciate your continued support as we work to accomplish our state-mandated task of determining fair market value for all properties within McLennan County. We anticipate the public budget hearing will be held mid-August if you have any comments you would like shared with the Board of Directors.

Should you have any questions, please don't hesitate to contact us.

Sincerely,

Joe Don Bobbitt  
John Kinnaird

## **MCLENNAN COUNTY APPRAISAL DISTRICT 2021 PROPOSED BUDGET DETAIL**

We currently serve 45 taxing entities that include 20 school districts, 20 cities, the county and 5 other entities. We are responsible for appraising more than 125,000 parcels with a market value in excess of twenty billion dollars. Our overall budget for 2019 will decrease slightly from our 2019 budget. The major items responsible for the change include the completion of the street level photography, reducing legal expenses due to the Litigation Fund balance account and freezing salaries. We have also attempted to reduce the amount of cushion in the budget so that we may reduce the entity contribution and also the amount that we return or apply to the subsequent budget.

### **ORDINARY INCOME**

Income is comprised of allocated payments from the taxing entities served by the appraisal district. Allocations are based on the percentage obtained by dividing the levy for each entity by the total levy of all entities. Additional income is generated from interest earned on the bank accounts, open records requests and personal property rendition penalties.

### **EXPENSES**

**Salaries:** Current salaries will be maintained with only the addition of a part time litigation appraiser to reduce pending litigation. Our staff is currently comprised of 42 employees, of which 22 are appraisers. All but three, out of the 22 appraisers, are registered professional appraisers with the State of Texas. The trainees must complete the five-year training period to achieve this designation. The appraisers are required to have professional designations that require extensive training and testing along with continuing education courses to continue their employment.

**Benefits:** Health insurance costs are estimated to increase 5% over current costs. We have historically managed to reduce this cost by using our HRA plan and providing coverage with higher deductibles.

Longevity pay is granted to full time McCAD employees who have been with the district for at least five years as of January 1, 2008. Longevity is paid at a rate of \$4 per month, per full year of service, up to a maximum of \$1,200.

**Pension:** The TCDRS budgeted rate is 13% for 2020, which remains unchanged from 2019 and is higher than the required rate to reduce the unfunded portion. We have eliminated \$30,000 in the budget to be applied to the district's TCDRS Unfunded Actuarial Accrued Liability (UAAL). This additional has payment has been reduced as the funded ratio is over 90%.

**Professional Services:** Appraisal Review Board (ARB) members will be paid at \$175.00 per full day and \$87.50 for half days. The chairman is paid \$200.00 per full day and \$100 for half days. ARB costs have increased in the last few years as number of protests increase with market values.

The appraisal services expense line item covers contractual services with Capitol Appraisal Group (CAGI). Capitol Appraisal works utility properties, mineral properties, and specialty properties. These specialty properties include: Riesel Power Plant, telephone towers and cable companies. For 2021 all industrial properties will be transferred to CAGI to help eliminate back logs for the commercial department.

Legal fees are budgeted for the services with McCreary, Veselka, Bragg, and Allen Law firm. Growing litigation expenses are responsible for the decreased refunds to the entities in past years. We are lowering the 2020 Budget for legal fees as we now have the Litigation Fund when large trial expenses exceed the typical annual budget. The district is anticipating at least one high value case to go to trial in 2021 that could cost several hundred thousand dollars to defend.

Temp services have also decreased due to revamping the protest process in order to be more efficient and less time consuming.

**Office Operating Expenses:** Office supplies have increased in cost over the last few years and the district has increased its use of State purchasing contracts. Printing expenses, including costs for processing Notices of Appraised Value, personal property renditions, and personal property penalty letters, have also increased.

Additional postage costs are due to increased requirements to notify taxpayers of changes and increases in the amount of certified mail. Insurance expenses cover general liability, property (real and contents), electronic data processing, accounts receivable/valuable papers, commercial crime, umbrella liability, and employee/public officials' liability.

The district has signed up for a new data source that provides commercial data for the entire state for any property that has a loan included in a commercial mortgage backed security. The new data source is deemed necessary as the state has access to it and has been using it against districts in the property value study. It may also be helpful in determining impacts due to Covid-19 for the 2021 appraisal year.

**Maintenance Expenses:** The software maintenance budget includes maintenance expenses for the computer assisted mass appraisal software used for valuing properties, as well as, software for GIS mapping, and deed information. These items increase approximately 2%-3% each year. Since replacing our old elevator, we have been able to reduce our overall building maintenance costs.

### **CAPITAL OUTLAY**

We will be flying each school district according to our future reappraisal plans. Continuing with "Change Finder" options for our aerial flights, we will be able to work more efficiently and also meet legislation mandates for inspecting properties once every three years. It also allows us to pick up new improvements that did not have building permits issued for them. The cost for aerials will be minimal when compared to the value added by picking up these new improvements. We replaced our servers in 2015 and expect them to remain in service until 2021.

### **DEBT SERVICE EXPENSE**

These budgeted expenses cover twelve months of mortgage payments. We refinanced the building with Capital One in 2016, lowering our interest rate from 5.84545% to 4.5%. This will save the entities over \$100,000 in additional interest over the life of the loan.

### **CONTINGENCY FUND**

The contingency fund is decreased \$25,000 to \$100,000 for additional contingency items that may come up. There is no pending litigation against the District other than valuation related cases. Additionally, the board has implemented policies to ensure that sufficient capital reserves are in place to maintain a positive fund balance, now and in the future, as well as having developed a 5-year budget forecast.

**MCLENNAN COUNTY APPRAISAL DISTRICT  
YEARLY BUDGET COMPARISON**

YEAR	2016	2017	2018	2019	2020	2021
<b>TOTAL BUDGET AMOUNT</b>	3,931,923	4,015,115	4,640,293	4,465,382	4,383,511	4,372,817
<b>% BUDGET INCREASE</b>	-12.90%	2.12%	15.57%	-3.77%	-1.83%	-0.24%
<b>ENTITY CONTRIBUTION</b>	3,913,850	3,998,615	4,240,290	4,228,661	4,358,511	4,347,817
<b>TOTAL EXPENSE AUDITED</b>	3,905,032	3,628,095	3,940,399	4,064,539		
<b>***WHAT SHOULD HAVE BEEN CREDITED</b>	8,818	370,520	299,891	164,122		
<b>ENTITY ACTUAL CREDITED AMOUNT</b>	0	385,853	222,572	411,189		
<b>FUND BALANCE</b>	630,655	630,655	730,655	1,116,507		
<b>CONTINGENCY FUNDS</b>	200,000	150,000	100,000	100,000	125,000	100,000
<b>NUMBER OF EMPLOYEES</b>	41	41	42	42	44	44
<b>*** This is the difference between the Entity Contribution &amp; what the District actually spent.</b>						

**MCLENNAN COUNTY APPRAISAL DISTRICT  
2021 PRELIMINARY ANNUAL BUDGET**

	2020 BUDGET	2021	\$ CHANGE	PERCENT CHANGE	Comment
<b>5000 SALARIES</b>					
5001 ADMINISTRATION	301,775	301,775	0	0.0%	
5002 APPRAISAL	997,242	997,242	0	0.0%	
5003 MAPPING	270,895	271,300	405	0.1%	
5004 CLERICAL	408,317	405,952	(2,365)	-0.6%	
5006 PART TIME	0	48,000	48,000	4800000%	MAI Appraiser
5008 AUTO & PHONE ALLOWANCE	137,020	137,020	0	0.0%	
<b>TOTAL SALARIES</b>	<b>2,115,249</b>	<b>2,161,289</b>			
		2.18%			
<b>5100 BENEFITS</b>					
5105 FICA TAX EXPENSE	162,600	162,100	(500)	-0.3%	
5110 HEALTH INSURANCE	228,200	239,000	10,800	4.7%	
5110-1 PB&H DEDUCTIBLE (HRA)	33,700	35,100	1,400	4.2%	
5113 DISABILITY	7,200	7,200	0	0.0%	
5115 LIFE INSURANCE	9,100	9,100	0	0.0%	
5120 LONGEVITY	15,700	15,100	(600)	-3.8%	
5125 PENSION	277,100	276,700	(400)	-0.1%	
5126 PENSION UAAL	30,000	0	(30,000)	-100.0%	
5130 UNEMPLOYMENT COMPENSATION	9,200	7,400	(1,800)	-19.6%	
5135 WORKMANS COMPENSATION	17,300	17,300	0	0.0%	
<b>TOTAL BENEFITS</b>	<b>790,100</b>	<b>769,000</b>			
		-2.67%			
<b>5200 PROFESSIONAL SERVICES</b>					
5201 APPRAISAL REVIEW BOARD	100,000	120,000	20,000	20.0%	
5205 APPRAISAL SERVICES	26,000	66,000	40,000	153.8%	
5210 AUDIT	6,500	6,700	200	3.1%	Industrial Properties assigned
5215 BOARD OF DIRECTORS	1,200	1,200	0	0.0%	to Capitol Appraisal Group
5217 COBRA	0	0	0	0.0%	
5218 COMPUTER SERVICES	4,500	4,500	0	0.0%	
5220 CONSULTING SERVICES	0	0	0	0.0%	
5220-1 ACCOUNTING	13,110	13,110	0	0.0%	
5220-2 MISC CONSULTING	25,000	0	(25,000)	-100.0%	Moved to subscriptions
5220-5 HOMESTEAD AUDIT	0	0	0	0.0%	
5229 ARBITRATION	15,000	15,000	0	0.0%	
5230 LEGAL SERVICES	0	0	0	0.0%	
5230-1 RETAINER	22,800	22,800	0	0.0%	
5230-2 COURT COST	250,000	180,000	(70,000)	-28.0%	Litigation fund balance
5230-3 MISC LEGAL SERVICES	10,000	10,000	0	0.0%	
5230-4 ARB Legal Counsel	3,000	3,000	0	0.0%	
5233 MOVING SERVICE	0	0	0	0.0%	
5234 PAYROLL SERVICE FEE	4,869	4,869	(1)	0.0%	
5235 PERSONAL PROPERTY LISTS	2,800	2,800	0	0.0%	
5239 SHREDDING SERVICE	500	1,500	1,000	200.0%	Clean out containers of files
5240 TEMP SERVICES	25,000	25,000	0	0.0%	past retention period
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>510,279</b>	<b>476,479</b>			
		-6.62%			
<b>5300 OFFICE OPERATING EXPENSES</b>					
5301 DUES AND MEMBERSHIPS	8,000	8,000	0	0.0%	
5305 FORMS AND PRINTING	0	0	0	0.0%	
5305-1 NOTICES	28,000	28,000	0	0.0%	
5305-2 RENDITIONS	5,500	5,500	0	0.0%	
5305-3 MISC	4,000	4,400	400	10.0%	
5310 INSURANCE	8,500	8,500	0	0.0%	
5315 LEGAL PUBLICATIONS	8,000	8,000	0	0.0%	
5317 MILEAGE REIMBURSEMENT	300	300	0	0.0%	
5320 OFFICE EQUIPMENT RENTAL	0	0	0	0.0%	
5320-1 POSTAGE MACHINE	5,000	5,000	0	0.0%	
5320-2 COPIERS	10,000	10,000	0	0.0%	
5330 POSTAGE AND FREIGHT	0	0	0	0.0%	
5330-1 POSTAGE	94,000	148,100	54,100	57.6%	Additional mailing
5330-2 FREIGHT	1,000	1,000	0	0.0%	requirements
5335 SMALL EQUIPMENT AND FURNITURE	1,500	1,500	0	0.0%	
5336 SMALL SOFTWARE	1,500	1,500	0	0.0%	
5340 SUBSCRIPTIONS AND BOOKS	24,000	88,200	64,200	267.5%	Reclassified 25,000 from
5345 SUPPLIES	0	0	0	0.0%	consulting, and new appraisal
5345-1 OFFICE SUPPLIES	24,000	24,000	0	0.0%	data service
5350 TRAINING AND EDUCATION	22,000	25,000	3,000	13.6%	
5355 TRAVEL	15,000	15,000	0	0.0%	
5360 UTILITIES	0	0	0	0.0%	
5360-1 PHONE AND INTERNET	14,000	13,500	(500)	-3.6%	
5360-2 ELECTRIC	23,000	21,000	(2,000)	-8.7%	
5360-4 WATER AND SEWER	3,500	4,000	500	14.3%	
5365 MISC EXPENSE	1,000	1,000	0	0.0%	
<b>TOTAL OFFICE OPERATING EXPENSES</b>	<b>301,800</b>	<b>421,500</b>			
		39.66%			

<b>5400 MAINTENANCE EXPENSES</b>					
5401 BUILDING	15,000	15,000	0	0.0%	
5401-1 JANITORIAL SERVICES	15,840	15,840		0.0%	
5402 ELEVATOR	1,000	1,000	0	0.0%	
5403 LAWN SERVICE	4,000	4,000		0.0%	
5405 COMPUTER EQUIPMENT-HARDWARE	3,000	2,000	(1,000)	-33.3%	
5410 SMALL EQUIPMENT AND FUNITURE	2,000	2,000	0	0.0%	
5415 SOFTWARE MAINTENANCE	0	0	0	0.0%	
5415-1 TRUE AUTOMATION	137,436	168,902	31,466	22.9%	Increase for Mobile platform
5415-5 SOFTWARE SERVICE	4,000	4,000	0	0.0%	and disaster recovery
5415-6 ESRI	9,900	9,900	0	0.0%	
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>192,176</b>	<b>222,642</b>			
		15.85%			
<b>5500 CAPITAL OUTLAY</b>					
5501 BUILDING IMPROVEMENTS	7,000	5,000	(2,000)	-28.6%	
5502 SMALL EQUIPMENT	1,500	2,500	1,000	66.7%	
5505 LARGE EQUIPMENT	15,000	10,000	(5,000)	-33.3%	
5510 LARGE FURNITURE	1,000	1,000	0	0.0%	
5525 AERIAL PHOTOGRAPHY	196,000	75,000	(121,000)	-61.7%	Street level Photography contract ended
<b>TOTAL CAPITAL OUTLAY</b>	<b>220,500</b>	<b>93,500</b>			
		-57.60%			
<b>5600 DEBT SERVICE EXPENSE</b>					
5601 DEBT SERVICE INTEREST--BUILDING	43,324	39,452	(3,872)	-8.9%	
5605 DEBT SERVICE PRINCIPLE--BUILDING	85,083	88,955	3,872	4.6%	
<b>TOTAL DEBT SERVICE EXPENSE</b>	<b>128,407</b>	<b>128,407</b>			
		0.00%			
<b>6000 CONTINGENCY FUND</b>					
6010 GENERAL CONTINGENCY FUND	125,000	100,000	(25,000)	-20.0%	
<b>TOTAL CONTINGENCY FUND</b>	<b>125,000</b>	<b>100,000</b>			
		-20.00%			
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 4,383,511</b>	<b>\$ 4,372,817</b>	<b>(10,695)</b>	<b>-0.2%</b>	
		-0.24%			
<b>LESS BUDGETED GENERAL INCOME</b>					
4033 INTEREST ON INVESTMENTS	-	-		0.0%	
4015 INTEREST ON BANK ACCTS	15,000	15,000	0		
4040 MISCELLANEOUS REVENUE	2,000	2,000	0	0.0%	
4045 BPP RENDITION PENALTY REVENUE	8,000	8,000	0	0.0%	
<b>TOTAL GENERAL INCOME</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>		
<b>LESS FUND BALANCE CREDIT TO ENTITIES</b>	<b>0</b>	<b>0</b>			
<b>TOTAL ENTITY SUPPORT</b>	<b>\$4,358,511</b>	<b>\$ 4,347,817</b>	<b>\$ (10,695)</b>	<b>-0.2%</b>	
		-0.25%			
<b>Fund Balances</b>					
Litigation	300,000				
Capital Improvements	80,663				
Technology and Professional Services	735,845				
	<b>1,116,508</b>				



**MCLENNAN COUNTY APPRAISAL DISTRICT  
Profit Loss Budget Yearly Comparison**

	Final Budget	Approved	Estimated		Forecast				
	2019	2020	2021		2022	2023	2024	2025	2026
Litigation			300,000						
Capital Improvements			80,663						
Technology and Professional Services			735,845						
<b>Income</b>									
4020 · Revenue from Taxing Entities	4,451,232	4,358,511	4,347,817	0%	4,387,881	4,571,685	4,542,411	4,620,112	4,699,180
4030 · Interest on Investments	150								
4035 · Interest - Bank Accts		15,000	15,000		15,000	15,000	15,000	15,000	15,000
4040 · Miscellaneous Revenue	4,000	2,000	2,000	0%	4,000	4,000	4,000	4,000	4,000
4045 · BPP RENDITION PENALTY REVENUE	10,000	8,000	8,000	0%	10,000	10,000	10,000	10,000	10,000
<b>Total Income</b>	<b>4,465,382</b>	<b>4,383,511</b>	<b>4,372,817</b>	<b>0%</b>	<b>4,416,881</b>	<b>4,600,685</b>	<b>4,571,411</b>	<b>4,649,112</b>	<b>4,728,180</b>
<b>Gross Profit</b>	<b>4,465,382</b>	<b>4,383,511</b>	<b>4,372,817</b>	<b>0%</b>	<b>4,416,881</b>	<b>4,600,685</b>	<b>4,571,411</b>	<b>4,649,112</b>	<b>4,728,180</b>
<b>Expense</b>									
<b>5000 · Salaries</b>									
5001 · Administration	293,475	301,775.00	301,775	0%	309,319	317,052	324,979	333,103	341,431
5002 · Appraisal	953,020	997,242.00	997,242	0%	1,022,173	1,047,727	1,073,921	1,100,769	1,128,288
5003 · Mapping	267,585	270,895.00	271,300	0%	278,083	285,035	292,160	299,464	306,951
5004 · Clerical	396,102	408,317.00	405,952	-1%	416,101	426,503	437,166	448,095	459,297
5006 · Part Time			48,000		48,000	48,000	48,000	48,000	48,000
5008 · Auto and Phone Allowance	137,020	137,020	137,020	0%	137,020	137,020	137,020	137,020	137,020
<b>Total 5000 · Salaries</b>	<b>2,047,202</b>	<b>2,115,249</b>	<b>2,161,289</b>	<b>2%</b>	<b>2,210,696</b>	<b>2,261,338</b>	<b>2,313,246</b>	<b>2,366,451</b>	<b>2,420,987</b>
<b>5100 · Benefits</b>									
5105 · FICA Tax Expense	153,900	162,600	162,100	0%	176,856	180,907	185,060	189,316	193,679
5110 · Health Insurance									
5110-1 · PB&H-Deductible	33,700	33,700	35,100	4%	35,100	35,100	35,100	35,100	35,100
5110 · Health Insurance - Other	227,900	228,200	239,000	5%	243,780	248,656	253,629	258,701	263,875
<b>Total 5110 · Health Insurance</b>	<b>261,600</b>	<b>261,900</b>	<b>274,100</b>	<b>5%</b>	<b>278,880</b>	<b>283,756</b>	<b>288,729</b>	<b>293,801</b>	<b>298,975</b>
5113 · Disability Long Term Insurance	6,100	7,200	7,200	0%	7,200	7,200	7,200	7,200	7,200
5115 · Life Insurance	8,600	9,100	9,100	0%	9,100	9,100	9,100	9,100	9,100
5120 · Longevity	13,500	15,700	15,100	-4%	16,000	16,000	16,000	16,000	16,000
5125 · Pension	262,200	277,100	276,700	0%	287,390	293,974	300,722	307,639	314,728
5126 · Pension UAAL-TCDRS	30,100	30,000	-	-100%	-	-	-	-	-
5130 · Unemployment Compensation	9,200	9,200	7,400	-20%	9,200	9,200	9,200	9,200	9,200
5135 · Workers Compensation-TML	16,500	17,300	17,300	0%	17,000	17,000	17,000	17,000	17,000
<b>Total 5100 · Benefits</b>	<b>761,700</b>	<b>790,100</b>	<b>769,000</b>	<b>-3%</b>	<b>801,626</b>	<b>817,136</b>	<b>833,010</b>	<b>849,256</b>	<b>865,883</b>
<b>5200 · Professional Services</b>									
5201 · Appraisal Review Board	119,200	100,000	120,000	20%	100,000	100,000	100,000	100,000	100,000
5205 · Appraisal Services	30,000	26,000	66,000	154%	30,000	30,000	30,000	30,000	30,000
5210 · Audit-PB&H	6,850	6,500	6,700	3%	6,700	6,700	6,700	6,700	6,700
5215 · Board of Directors	1,200	1,200	1,200	0%	1,200	1,200	1,200	1,200	1,200
5218 · Computer Services	20,000	4,500	4,500	0%	4,500	4,500	4,500	4,500	4,500
5220 · Consulting Services									
5220-1 · Accounting	11,700	13,110	13,110	0%	13,110	13,110	13,110	13,110	13,110
5220-2 · Misc Consulting		25,000		-100%					
5220 · Homestead Audit Service	112,300.00								
<b>Total 5220 · Consulting Services</b>	<b>124,000.00</b>	<b>38,110.00</b>	<b>13,110.00</b>	<b>-66%</b>	<b>13,110.00</b>	<b>13,110.00</b>	<b>13,110.00</b>	<b>13,110.00</b>	<b>13,110.00</b>
5229 · Arbitration	19,000	15,000	15,000	0%	15,000	15,000	15,000	15,000	15,000

**MCLENNAN COUNTY APPRAISAL DISTRICT  
Profit Loss Budget Yearly Comparison**

	Final Budget	Approved	Estimated		Forecast				
	2019	2020	2021		2022	2023	2024	2025	2026
<b>5230 · Legal Services</b>									
5230-1 · Retainer-MVBA	24,000	22,800	22,800	0%	22,800	22,800	22,800	22,800	22,800
5230-2 · Court Cost-MVBA	155,000	250,000	180,000	-28%	180,000	180,000	180,000	180,000	180,000
5230-3 · Misc Legal Services	20,000	10,000	10,000	0%	10,000	10,000	10,000	10,000	10,000
5230-4 · ARB Legal Counsel-RAY ARMSTRON	5,000	3,000	3,000	0%	3,000	3,000	3,000	3,000	3,000
<b>Total 5230 · Legal Services</b>	<b>204,000</b>	<b>285,800</b>	<b>215,800</b>	<b>-24%</b>	<b>215,800</b>	<b>215,800</b>	<b>215,800</b>	<b>215,800</b>	<b>215,800</b>
5234 · Payroll Service Fee	4,869	4,869	4,869	0%	4,869	4,869	4,869	4,870	4,870
5235 · Personal Property Lists	2,800	2,800	2,800	0%	2,800	2,800	2,800	2,800	2,800
5239 · Shredding Service	500	500	1,500	200%	500	500	500	500	500
5240 · Temp Service	60,000	25,000	25,000	0%	25,000	25,000	25,000	25,000	25,000
<b>Total 5200 · Professional Services</b>	<b>592,419</b>	<b>510,279</b>	<b>476,479</b>	<b>-7%</b>	<b>419,479</b>	<b>419,479</b>	<b>419,479</b>	<b>419,480</b>	<b>419,480</b>
<b>5300 · Office Operation Expenses</b>									
5301 · Dues and Memberships	6,000	8,000	8,000	0%	8,000	8,000	8,000	8,000	8,000
5305 · Forms and Printing									
5305-1 · Notices	28,000	28,000	28,000	0%	28,000	28,000	28,000	28,000	28,000
5305-2 · Renditions	7,500	5,500	5,500	0%	5,500	5,500	5,500	5,500	5,500
5305-3 · Misc	5,000	4,000	4,400	10%	4,400	4,400	4,400	4,400	4,400
<b>Total 5305 · Forms and Printing</b>	<b>40,500</b>	<b>37,500</b>	<b>37,900</b>	<b>1%</b>	<b>37,900</b>	<b>37,900</b>	<b>37,900</b>	<b>37,900</b>	<b>37,900</b>
5310 · Insurance on Bldg-TML	7,700	8,500	8,500	0%	8,500	8,500	8,500	8,500	8,500
5315 · Legal Publications-Waco Tribune	8,000	8,000	8,000	0%	8,000	8,000	8,000	8,000	8,000
5317 · Mileage Reimbursement	1,000	300	300	0%	300	300	300	300	300
5320 · Office Equipment Rental									
5320-1 · Postage Machine-Neopost	5,000	5,000	5,000	0%	5,000	5,000	5,000	5,000	5,000
5320-2 · Copiers-CTWP	10,000	10,000	10,000	0%	10,000	10,000	10,000	10,000	10,000
<b>Total 5320 · Office Equipment Rental</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>0%</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
5330 · Postage and Freight									
5330-1 · Postage	95,000	94,000	148,100	58%	151,062	154,083	157,165	160,308	163,514
5330-2 · Freight	1,500	1,000	1,000	0%	1,000	1,000	1,000	1,000	1,000
<b>Total 5330 · Postage and Freight</b>	<b>96,500</b>	<b>95,000</b>	<b>149,100</b>	<b>57%</b>	<b>152,062</b>	<b>155,083</b>	<b>158,165</b>	<b>161,308</b>	<b>164,514</b>
5335 · Small Equipment and Furniture	2,000	1,500	1,500	0%	1,500	1,500	1,500	1,500	1,500
5336 · Small Software	3,000	1,500	1,500	0%	1,500	1,500	1,500	1,500	1,500
5340 · Subscriptions and Books	44,000	24,000	88,200	268%	92,610	97,241	102,103	107,208	112,568
5345 · Supplies									
5345-1 · Office Supplies	24,000	24,000	24,000	0%	24,000	24,000	24,000	24,000	24,000
<b>Total 5345 · Supplies</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>0%</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>
5350 · Training and Education	17,000	22,000	25,000	14%	20,000	20,000	20,000	20,000	20,000
5355 · Travel	15,000	15,000	15,000	0%	15,000	15,000	15,000	15,000	15,000
5360 · Utilities									
5360-1 · Phone and Internet	14,000	14,000	13,500	-4%	13,500	13,500	13,500	13,500	13,500
5360-2 · Electric-Hudson	23,000	23,000	21,000	-9%	24,000	24,000	24,000	24,000	24,000
5360-4 · Water and Sewer-City of Waco	4,000	3,500	4,000	14%	4,000	4,000	4,000	4,000	4,000
<b>Total 5360 · Utilities</b>	<b>41,000</b>	<b>40,500</b>	<b>38,500</b>	<b>-5%</b>	<b>41,500</b>	<b>41,500</b>	<b>41,500</b>	<b>41,500</b>	<b>41,500</b>
5365 · Misc Expenses	1,000	1,000	1,000	0%	1,000	1,000	1,000	1,000	1,000
5366 · Bank Service Fee									
<b>Total 5300 · Office Operation Expenses</b>	<b>321,700</b>	<b>301,800</b>	<b>421,500</b>	<b>40%</b>	<b>426,872</b>	<b>434,524</b>	<b>442,467</b>	<b>450,716</b>	<b>459,282</b>

**MCLENNAN COUNTY APPRAISAL DISTRICT  
Profit Loss Budget Yearly Comparison**

	Final Budget	Approved	Estimated		Forecast				
	2019	2020	2021		2022	2023	2024	2025	2026
<b>5400 · Maintenance Expenses</b>									
<b>5401 · Building</b>									
5401 Building Other	16,000	15,000	15,000	0%	15,000	15,000	15,000	15,000	15,000
5401-1 Janitorial Service	20,000	15,840	15,840	0%	16,500	16,500	16,500	16,500	15,840
<b>Total 5401 · Building</b>	<b>36,000</b>	<b>30,840</b>	<b>30,840</b>	<b>0%</b>	<b>31,500</b>	<b>31,500</b>	<b>31,500</b>	<b>31,500</b>	<b>30,840</b>
5402 · Elevator	5,000	1,000	1,000	0%	2,000	2,000	2,000	2,000	2,000
5222 · Lawn Service	3,000	4,000	4,000	0%	4,000	4,000	4,000	4,000	4,000
5405 · Computer Equipment-Hardware	6,000	3,000	2,000	-33%	3,000	3,000	3,000	3,000	3,000
5410 · Small Equipment and Furniture	3,000	2,000	2,000	0%	2,000	2,000	2,000	2,000	2,000
5415 · Software Maintenance									
5415-1 · True Automation-Harris	274,000	137,436	168,902	23%	180,902	180,902	180,902	180,902	180,902
5415-5 · Software Service	6,000	4,000	4,000	0%	4,000	4,000	4,000	4,000	4,000
5415-6 · ESRI	10,000	9,900	9,900	0%	9,900	9,900	9,900	9,900	9,900
5415-7 · Email License									
<b>Total 5415 · Software Maintenance</b>	<b>290,000</b>	<b>151,336</b>	<b>182,802</b>	<b>21%</b>	<b>194,802</b>	<b>194,802</b>	<b>194,802</b>	<b>194,802</b>	<b>194,802</b>
<b>Total 5400 · Maintenance Expenses</b>	<b>343,000</b>	<b>192,176</b>	<b>222,642</b>	<b>16%</b>	<b>237,302</b>	<b>237,302</b>	<b>237,302</b>	<b>237,302</b>	<b>236,642</b>
<b>Total Expense</b>	<b>4,066,021</b>	<b>3,909,604</b>	<b>4,050,910</b>	<b>4%</b>	<b>4,095,974</b>	<b>4,169,778</b>	<b>4,245,504</b>	<b>4,323,205</b>	<b>4,402,273</b>
<b>Net Ordinary Income</b>	<b>399,361</b>	<b>473,907</b>	<b>321,907</b>	<b>-32%</b>	<b>320,907</b>	<b>430,907</b>	<b>325,907</b>	<b>325,907</b>	<b>325,907</b>
<b>5500 · Capital Outlay</b>									
5501 · Building Improvements	5,000	7,000	5,000	-29%	5,000	5,000	5,000	5,000	5,000
5502 · Small Equipment	5,000	1,500	2,500	67%	1,500	1,500	1,500	1,500	1,500
5505 · Large Equipment	50,000	15,000	10,000	-33%	10,000	120,000	15,000	15,000	15,000
5510 · Large Furniture	1,000	1,000	1,000	0%	1,000	1,000	1,000	1,000	1,000
5525 · Aerial Photography-Pictometry	196,000	196,000	75,000	-62%	75,000	75,000	75,000	75,000	75,000
<b>Total 5500 · Capital Outlay</b>	<b>257,000</b>	<b>220,500</b>	<b>93,500</b>	<b>-58%</b>	<b>92,500</b>	<b>202,500</b>	<b>97,500</b>	<b>97,500</b>	<b>97,500</b>
<b>5600 · Debt Service Expense</b>									
5601 · Debt Svc Interest-Bldg-Cap 1	46,735.63	43,324.00	39,452.00	-9%	35,404.00	31,172.00	26,747.00	22,121.00	17,284.00
5605 · Debt Svc Principal-Bldg-Cap 1	80,875.75	85,083.00	88,955.00	5%	93,003.00	97,235.00	101,660.00	106,286.00	111,123.00
<b>Total 5600 · Debt Service Expense</b>	<b>127,611</b>	<b>128,407</b>	<b>128,407</b>	<b>0%</b>	<b>128,407</b>	<b>128,407</b>	<b>128,407</b>	<b>128,407</b>	<b>128,407</b>
<b>6000 · Contingency Fund</b>									
6010 · General Contingency Fund	14,750	125,000	100,000	-20%	100,000	100,000	100,000	100,000	100,000
<b>Total 6000 · Contingency Fund</b>	<b>14,750</b>	<b>125,000</b>	<b>100,000</b>	<b>-20%</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Total Other Expense</b>	<b>399,361</b>	<b>473,907</b>	<b>321,907</b>	<b>-32%</b>	<b>320,907</b>	<b>430,907</b>	<b>325,907</b>	<b>325,907</b>	<b>325,907</b>
<b>Net Other Income</b>	<b>-399,361</b>	<b>-473,907</b>	<b>-321,907</b>	<b>-32%</b>	<b>-320,907</b>	<b>-430,907</b>	<b>-325,907</b>	<b>-325,907</b>	<b>-325,907</b>
<b>Net Income</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Storage Device	MAI Appraiser	48,000	Rear Driveway	## Servers	PC 5 yr warranty
Photo project Yr3/3	TREPP data	42,000			
Remote backup	Industrial Appraisal	40,000			
Emergency Exit	Postage	54,000			
	Technology	31,000			

**MCLENNAN COUNTY APPRAISAL DISTRICT  
POSITION AND PAY RANGE**

<b>POSITION CLASSIFICATION</b>	<b>PAY RANGE</b>	<b>NUMBER OF EMPLOYEES</b>	<b>HOURLY STARTING SALARY</b>	<b>MONTHLY STARTING SALARY</b>	<b>MONTHLY MAXIMUM SALARY</b>	<b>ANNUAL STARTING SALARY</b>	<b>ANNUAL MAXIMUM SALARY</b>	
DATA CLERK	1	6	12.0200	1,923.20	2,789.95	25,002	36,269	
DATA ANALYST	4	6	14.4238	2,307.81	3,347.90	30,001	43,523	
RECORDS TECHNICIAN	5	3	15.2250	2,436.01	3,533.88	31,668	45,940	
JR APPRAISER	7	4	16.8276	2,692.41	3,905.84	35,001	50,776	
STAFF APPRAISER	8	14	17.6288	2,820.61	4,091.82	36,668	53,194	
ADMIN ASST	8	2	17.6288	2,820.61	4,091.82	36,668	53,194	
GIS MAPPING TECH	13	2	21.6351	3,461.62	5,021.72	45,001	65,282	
CUST SERV SUPERVISOR	13	1	21.6351	3,461.62	5,021.72	45,001	65,282	
GIS MAPPING SUPERVISOR	17	1	24.8402	3,974.43	5,765.64	51,668	74,953	
APPRAISAL SUPERVISOR	24	3	30.4490	4,871.85	7,067.50	63,334	91,878	
ASST CHIEF APPR	34	1	38.4617	6,153.87	8,927.31	80,000	116,055	
CHIEF APPRAISER	0	1	SALARY IS SET BY THE BOARD OF DIRECTORS					

**Benefits include:**

- Group Term Life Insurance
- Health Insurance
- Accidental Death
- Longevity
- Pension
- Long Term Disability

Average cost of benefits per employee: 17,402.83

**MCLENNAN COUNTY APPRAISAL DISTRICT  
ESTIMATED 2021 BUDGET ALLOCATION**

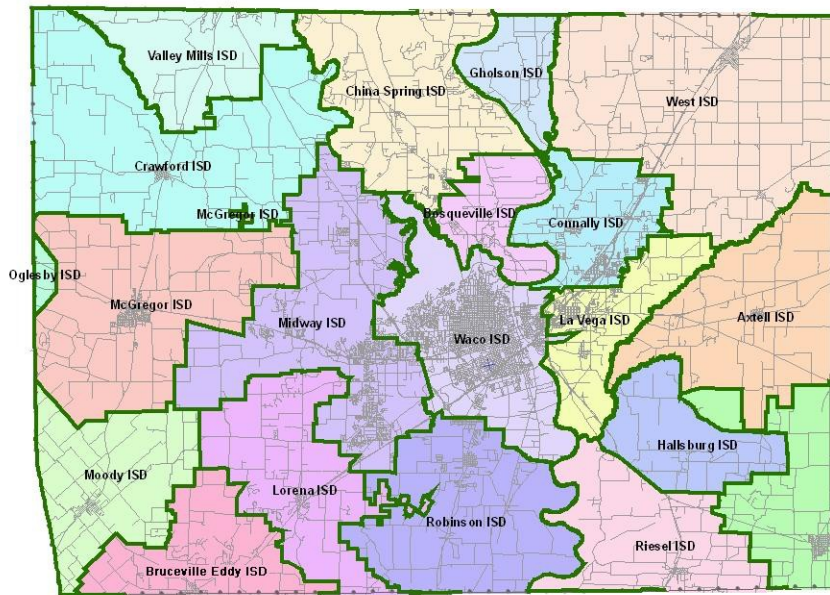
**2021 TOTAL BUDGET = \$4,372,817**  
**2021 ENTITY SUPPORT = \$4,347,817**

JURISDICTION	2019 TAX LEVY	PERCENT OF TOTAL LEVY & BUDGET	EST 2021 ALLOCATION	EST 2021 QUARTERLY PAYMENT
<b>SCHOOL DISTRICTS</b>				
AXTELL ISD	1,760,731.02	0.353121%	15,353	3,838.26
BOSQUEVILLE ISD	2,838,749.13	0.569321%	24,753	6,188.26
BRUCEVILLE-EDDY ISD	2,450,470.84	0.491450%	21,367	5,341.84
CHINA SPRING ISD	13,774,788.11	2.762581%	120,112	30,027.99
CONNALLY ISD	10,872,846.66	2.180587%	94,808	23,701.98
CRAWFORD ISD	2,678,335.89	0.537149%	23,354	5,838.57
GHOLSON ISD	633,347.69	0.127020%	5,523	1,380.65
HALLSBURG ISD	1,049,705.84	0.210522%	9,153	2,288.28
LA VEGA ISD	13,865,952.23	2.780864%	120,907	30,226.72
LORENA ISD	8,770,442.67	1.758942%	76,476	19,118.90
MART ISD	1,334,581.61	0.267655%	11,637	2,909.29
McGREGOR ISD	6,490,427.94	1.301678%	56,595	14,148.64
MIDWAY ISD	75,700,082.73	15.181911%	660,082	165,020.41
MOODY ISD	1,832,959.54	0.367606%	15,983	3,995.71
OGLESBY ISD	9,579.20	0.001921%	84	20.88
RIESEL ISD	7,655,647.36	1.535366%	66,755	16,688.73
ROBINSON ISD	10,810,560.41	2.168095%	94,265	23,566.20
VALLEY MILLS ISD	984,288.40	0.197402%	8,583	2,145.67
WACO ISD	94,539,421.31	18.960205%	824,355	206,088.73
WEST ISD	6,308,475.59	1.265186%	55,008	13,752.00
<b>COUNTY</b>				
MCLENNAN COUNTY	91,074,322.94	18.265268%	794,140	198,535.08
<b>CITIES</b>				
BELLMEAD, CITY OF	1,580,739.77	0.317023%	13,784	3,445.89
BEVERLY HILLS, CITY OF	531,618.70	0.106618%	4,636	1,158.89
BRUCEVILLE-EDDY, CITY OF	347,214.80	0.069635%	3,028	756.90
CRAWFORD, CITY OF	274,379.86	0.055028%	2,393	598.13
GHOLSON, CITY OF	101,965.38	0.020450%	889	222.28
GOLINDA, CITY OF	18,500.00	0.003710%	161	40.33
HALLSBURG, CITY OF	15,830.13	0.003175%	138	34.51
HEWITT, CITY OF	5,592,956.28	1.121687%	48,769	12,192.22
LACY-LAKEVIEW, CITY OF	1,419,342.93	0.284654%	12,376	3,094.06
LEROY, CITY OF	28,139.43	0.005643%	245	61.34
LORENA, CITY OF	700,975.37	0.140583%	6,112	1,528.07
MART, CITY OF	459,463.84	0.092147%	4,006	1,001.60
McGREGOR, CITY OF	2,566,927.50	0.514806%	22,383	5,595.71
MOODY, CITY OF	340,532.29	0.068295%	2,969	742.33
RIESEL, CITY OF	1,827,835.95	0.366579%	15,938	3,984.54
ROBINSON, CITY OF	4,566,363.08	0.915800%	39,817	9,954.32
VALLEY MILLS, CITY OF	6,784.72	0.001361%	59	14.79
WACO, CITY OF	86,326,738.05	17.313123%	752,743	188,185.71
WEST, CITY OF	1,212,007.57	0.243072%	10,568	2,642.08
WOODWAY, CITY OF	5,731,315.33	1.149435%	49,975	12,493.83
<b>SPECIAL DISTRICTS</b>				
CASTLEMAN CREEK WATERSHED	24,008.87	0.004815%	209	52.34
ELM CREEK WATERSHED	13,720.74	0.002752%	120	29.91
MCLENNAN COMMUNITY COLLEGE	29,444,800.32	5.905256%	256,750	64,187.42
LETOACANA CREEK WATER & CONTROL DIST #1	52,369.30	0.010503%	457	114.16
<b>TOTAL</b>	<b>498,620,247.32</b>	<b>100.000000%</b>	<b>4,347,817</b>	<b>1,086,954.13</b>

**4,347,817**

CALCULATION CHECK

# McLENNAN COUNTY APPRAISAL DISTRICT



## 2021-2022 REAPPRAISAL PLAN

Revised 5/4/2020 JDB

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# **EXECUTIVE SUMMARY**

## TAX CODE REQUIREMENT

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

### **The Written Plan**

Section 6.05, 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 10<sup>th</sup> 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, 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, contracts, declarations, special assessments, ordinances, or legal restrictions;



- (5) Developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
- (6) Applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
- (7) Reviewing the appraisal results to determine value.

### **REVALUATION POLICY (REAPPRAISAL CYCLE)**

The McLennan County Appraisal District board of directors, by approval of this 2021 and 2022 reappraisal plan, adopts the policy that McCAD reappraises all property in the district annually. The reappraisal year is a complete appraisal analysis of all properties in the district and requires that each property owner be noticed in compliance with section 25.19 of the Tax Code. Tax years 2021 and 2022 will be reappraisal years. Market areas that have existing values consistent with the market and demonstrate uniformity will be noticed at current year value levels.

### **REAPPRAISAL YEAR ACTIVITIES**

1. Performance Analysis – the equalized values from the previous tax year will be analyzed with ratio studies to determine the appraisal accuracy and appraisal uniformity overall and by market area within property reporting categories. Ratio studies will be conducted in compliance with the current *Standard on Ratio Studies* of the International Association of Assessing Officers (IAAO).
2. Analysis of Available Resources – staffing and budget requirements for tax year 2021 are detailed in the 2021 budget, as adopted by the board of directors and attached to the written biennial plan by reference. Existing appraisal practices, which are continued from year to year, will be identified and methods utilized to keep these practices current will be specified. Technology support will be detailed with year specific functions identified and system upgrades scheduled. Existing maps and data requirements will be specified and updates scheduled.
3. Planning and Organization – a calendar of key events with critical completion dates will be prepared for each major work area. This calendar identifies all key events for appraisal, and appraisal staff. A calendar is prepared for tax years 2021 and 2022. Production standards for field activities, and review of aerial photography will be established and incorporated in the planning and scheduling process.
4. Mass Appraisal System – Computer Assisted Mass Appraisal (CAMA) system revisions required will be specified and scheduled with the technology department who will also coordinate any changes necessary with the current software vendor for the District. All computer forms and technology procedures will be reviewed and revised as required. Where necessary all computer forms will comply with the content required by the Comptroller's office.

5. Data Collection Requirements – field and office procedures will be reviewed and revised as required for data collection. Activities scheduled for each tax year include new construction, demolition, remodeling, re-inspection of problematic market areas, re-inspection of the universe of properties on a specific cycle (three years), and field or office verification of sales data and property characteristics. Re-inspection of properties is to be completed using 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.
6. Pilot study by tax year – new and/or revised mass appraisal models will be tested each tax year. Ratio studies, by market area, will be conducted on proposed values each tax year. Proposed values on each category will be tested for accuracy and reliability in randomly selected market areas. Pilot modeling and ratio studies will be conducted in accordance with IAAO standards and the *Uniform Standards of Professional Appraisal Practices (USPAP)*.
7. Valuation by tax year – using market analysis of comparable sales, locally tested cost data, and income analysis; valuation models will be specified and calibrated in compliance with supplemental standards from the IAAO and USPAP. The calculated values will be tested for accuracy and uniformity using ratio studies.
8. The Mass Appraisal Report – each tax year the Tax Code required mass appraisal report will be prepared and certified by the chief appraiser at the conclusion of the appraisal phase of the ad valorem tax calendar (on or about May 15<sup>th</sup>). The 2020 mass appraisal report is completed in compliance with USPAP Standard Rule 6–8. The signed certification by the chief appraiser is compliant with USPAP Standard Rule 6-9. This reappraisal plan is referenced in the mass appraisal report.
9. Value defense – evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal and formal appraisal review board hearings will be developed and made available to the taxpayer upon request.

## **2021 -2022 REAPPRAISAL PLAN**

The McLennan County Appraisal District reappraises all property in the district every year. The reappraisal year is a complete appraisal analysis of all market areas in the district and each property requiring notice is noticed in compliance with section 25.19 of the Texas Property Tax Code.

## **PERFORMANCE ANALYSIS**

In each tax year 2021 and 2022, the previous tax year’s equalized values are analyzed with ratio studies to determine appraisal accuracy and appraisal uniformity overall and by market area within state property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* from the International Association of Assessing Officers. Mean, median and weighted mean ratios are calculated for properties in each reporting category to measure the level of appraisal (appraisal accuracy). The mean ratio is calculated in each

market area to indicate the level of appraisal (appraisal accuracy) by property reporting category. The coefficient of dispersion (COD) will be calculated to measure appraisal uniformity by property reporting category. In 2021 and 2022, the reappraisal years, this analysis is used to develop the starting point for establishing the level and accuracy of appraisal performance; and to also indicate the uniformity or equity of existing appraisals.

## **ANALYSIS OF AVAILABLE RESOURCES**

Staffing and budget requirements for tax year 2021 are detailed in the 2021 appraisal district budget, as adopted by the board of directors and attached to the written biennial plan by reference. This reappraisal plan is adjusted to reflect the available staffing in tax year 2021. The anticipated staffing for tax year 2022 will be contingent upon the 2022 budget. Staffing will impact the cycle of real property re-inspection and personal property on-site review that can be accomplished in the 2021 – 2022 time period.

Existing appraisal practices, which are continued from year to year, are identified and methods utilized to keep these practices current are specified. In the reappraisal year, real property appraisal depreciation tables and cost new tables are tested against verified sales data to ensure they represent current market data. Residential staff will also review *Marshall & Swift* cost guides to insure consistency of 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 published data. Personal property depreciation tables are tested and analyzed based on rendition and prior year hearing documentation.

Technology support is detailed with year specific functions identified and system upgrades scheduled. Additional programming is decided on and requested from the district's software vendor. Computer generated forms are reviewed for revisions based on each year of reappraisal. Legislative changes are incorporated in the CAMA software by the District's software vendor, and checked by the technology department. Existing maps and data requirements are specified and updates scheduled.

## **PLANNING AND ORGANIZATION**

A calendar of key events with critical completion dates is prepared for each major work area. This calendar identifies all key events for appraisal, and appraisal support. Each department prepared their work plans for 2021 and 2022. Production standards for field activities are calculated and incorporated in the planning and scheduling process.

See attached Calendar of Appraisal Events for 2021 and 2022 Exhibit 'D'

## **MASS APPRAISAL SYSTEM**

Computer Assisted Mass Appraisal (CAMA) system revisions are specified and scheduled with the Technology Department. The technology department will coordinate any changes needed with the current software vendor for the District. All computer forms and technology procedures are reviewed and revised as required. The following details these procedures as it relates the 2021 and 2022 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 tools and compared with cost data from recognized industry leaders, such as *Marshall & Swift*.

Land tables are updated using current market data (sales) and then tested with ratio study tools. Value modifiers are developed for property categories by market area and tested on a pilot basis with ratio study tools. The District may use their own appraiser or an outside vendor to develop land values by area which are then tested and incorporated into district land tables by district employees.

Income, expense and occupancy data is updated in the income models for each market area. Cap rate studies are completed using current sales data. The resulting models are tested using ratio study tools.

## **PERSONAL PROPERTY VALUATION**

Depreciation schedules are updated using data received during the previous tax year from renditions and hearing documentation. Valuation procedures are reviewed modified as needed and tested.

## **NOTICING PROCESS**

25.19—Appraisal notice forms are reviewed and edited for updates and legal correctness. Enclosures will also be updated and include information on how to protest noticed values along with protest forms.

## **HEARING PROCESS**

Protest hearing scheduling for Appraisal Review Board hearings are reviewed and updated as required. Standards of documentation are reviewed and amended as required. The appraisal district hearing documentation is reviewed and updated to reflect the current valuation process. Production of documentation is tested for compliance with HB 201 (evidence 14 days in advance) and all other tax code requirements. The ARB committee surveys the Appraisal Review Board, and appraisal district staff to see what changes need to be considered to better serve the public. All are compiled, reviewed and solutions are submitted to administration for approval. This committee begins meeting the next week after hearings are completed and continue to meet thru March of the next year. This committee performs all training on procedures and processes for the next ARB season.

## **DATA COLLECTION REQUIREMENTS**

Field and office procedures are reviewed and revised as required for data collection. Activities scheduled for each tax year include new construction, demolition, remodeling, re-inspection of problematic market areas, and re-inspection of the universe of properties on a specific cycle.

## **NEW CONSTRUCTION / DEMOLITION**

New construction field and office review procedures are identified and revised as required. Field production standards are established and procedures for monitoring tested. Building permits will be received electronically from the City of Waco and McGregor and in paper form from other cities and the county. System input procedures are identified and included in the departmental plans. The process of verifying demolition of improvements is ongoing. This process will be enhanced as we begin using the change finder system in conjunction with Pictometry Aerials.

## **REMODELING**

Market areas with extensive improvement remodeling will be identified and field on-site inspections will be scheduled to update property characteristic data. Updates to valuation procedures are tested with ratio studies before being finalized in the valuation modeling.

### **I. MARKET AREA DELINEATION**

Market areas are defined by the physical, economic, governmental and social forces that influence property values. The effects of the forces were used to identify, classify and stratify or delineate similarly situated properties into smaller, more comparable and manageable subsets for valuation purposes. Delineation can involve the physical drawing of neighborhood boundary lines on a map or, it can also involve statistical separation or stratification based on attribute analysis. These homogeneous properties have been delineated into valuation neighborhoods for both residential and commercial properties, but because there are discernible patterns of growth that characterize a neighborhood or market segment, analyst staff will annually evaluate the neighborhood boundaries or market segments to ensure homogeneity of property characteristics. The major market areas of McLennan County are the twenty school districts within the county as shown on exhibit B. These major areas are then broken into neighborhoods as shown on exhibit C. Neighborhoods for 2021 & 2022 will be reviewed during the reappraisal cycle for each of those years.

#### **i. RE-INSPECTION OF THE UNIVERSE OF PROPERTIES**

The Texas Property Tax Code, Section 25.18 (b) requires the re-inspection of the universe of properties at least once every three years. The annual re-inspection requirements for tax years 2021 and 2022 will be identified by property type and property classification and scheduled on the key events calendar. Re-inspection of properties will be completed using a combination of field inspections and office review. Office review of property for the 2021 tax year will include the examination of aerial photography using the 2020-flown oblique and orthographic imagery provided by *Pictometry, Inc.* McCAD has also contracted *Tyler Technologies* to provide updated street level photography to assist in evaluating condition and identifying where additional improvements have been added or demolished along with verifying situs address. Property sketches, existing property characteristics, and aerial photography will be delivered to the district and installed in the CAMA system. The use of more recent oblique and orthographic imagery by the contracted vendors will be dependent on the approval of subsequent budgets for aerial mapping.

There are approximately 121,000 real and personal property parcels in McLennan County. In order to meet the three year re-inspection mandate of S.B. 1652, the district will re-inspect approximately one third of these parcels in both tax year 2021 and 2022 using the afore mentioned resources. See exhibit C for planned re-inspections.

## ii. **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 coefficient of dispersion. Market areas that fail any or all of these tests are determined to be problematic. A combination of field and office reviews are scheduled 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.

Analyses of prior and current protest are performed to determine areas that may need reviewing. Ratio studies are run by school district, by classes, by neighborhoods and any other criteria the appraisers deem necessary to conclude their research for problematic areas. Additional reports of sold and unsold property are run by school district neighborhood, by street, etc., to determine equality in each area. Ratio studies are run several times during the discover period to verify work being performed and to determine if additional attention is warranted.

## **FIELD OR OFFICE VERIFICATION OF SALES DATA AND PROPERTY CHARACTERISTICS**

Sales information must be verified and property characteristic data contemporaneous with the date of sale captured. The sales ratio tools require that the property that sold must equal the property appraised in order that statistical analysis results will be valid.

## **PILOT STUDY**

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*.

## **VALUATION BY TAX YEAR**

Valuation by tax year – using market analysis of comparable sales and locally tested cost data, 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 are those as established by the IAAO Standard on Ratio Studies. Property values in all market areas are updated each reappraisal year. Tax years 2021 and 2022 are reappraisal years.

## **RESIDENTIAL REAL PROPERTY**

Ratio studies will be conducted on each residential valuation neighborhood in the district to judge the two primary aspects of mass appraisal accuracy—level and uniformity of value. The valuation process for residential property historically begins in August. Land analysis, sales outlier review, neighborhood sales analysis, and finalization of proposed estimates of value will likely occur from October to late March.

## Valuation Method Used:

### *Cost Approach*

The district will use a hybrid cost-market approach when valuing single-family and multi-family residential properties. The comparative unit method will be used to develop the “base” cost of a structure. Adjustments will then be made for differences from base specifications using the unit-in-place method. Table-driven cost factors, taken from *Marshall & Swift*, a nationally recognized commercial cost service, will be adjusted for local or regional differences in construction and labor costs. Neighborhood or location adjustment factors will be developed from appraisal statistics provided by ratio studies to ensure that estimated values reflect both the supply and demand side of the market. The following equation denotes the hybrid model used:

$$MV = MA [RCN - D] + LV$$

The market value (MV) equals the market adjustment factor (MA) applied to the replacement cost new less depreciation (RCNLD), plus the land value (LV). Market adjustments will be applied uniformly within neighborhoods to account for location variances between market areas or across a jurisdiction.

Most residential land values will be estimated using a square foot (adjusting for size) method, which establishes the value of average size lots within each stratum or delineated neighborhood through sales comparison analysis. Some residential land values may use the front foot method or the lot value to better reflect market value in that area. The analysis assumes that the major factors causing variations among land values within a neighborhood are view, traffic, and size. In areas where insufficient vacant land sales exist, the abstraction method, also known as the land residual method and the allocation method, known as the land ratio method will be used to establish lot values within a neighborhood. A computerized land table stores the land information required to consistently value individual parcels within neighborhoods. Land adjustments will be applied on individual properties, where necessary, to adjust for such influences as view, shape, size, and topography, among others.

If a neighborhood is to be updated, the analyst will run a cost ratio study that compares recent sales prices of properties appropriately adjusted for the effects of time and stratified geographically by neighborhood with the property’s cost value. The calculated ratio derived from the sum of the sold properties’ cost value divided by the sum of the sales prices indicates the neighborhood level of value based on the unadjusted cost value for the sold properties. This cost-to-sale ratio will be compared to the appraisal-to-sale ratio to determine the market adjustment factor for each neighborhood. This market adjustment factor is needed to trend the values obtained through the cost approach closer to the actual market evidenced by recent sales prices within a given neighborhood. The sales used to determine the market adjustment factor will reflect the market influences and conditions only for the specified neighborhood, thus producing more representative and supportable values. The market adjustment factor calculated for each update neighborhood will be applied uniformly to all properties within a neighborhood and a second set of ratio studies will be generated that compares recent sale prices with the proposed market values for these sold properties. From this set of ratio studies, the appraiser will judge the appraisal level and uniformity in both update and non-update neighborhoods, and finally, for the school district as a whole.

A review and revision of the residential cost schedules will be performed before each reappraisal

year. If there has been little or no change from one year to the next, the same values may be unchanged from one year to the next. Samples of newly constructed sold properties of varying construction quality in McLennan County will be reviewed. The property characteristics of these sampled properties will be verified. The results of this comparison will be analyzed using several measures, including stratification by quality where applicable and review of estimated building costs, as well as land value to sales prices.

### *Sales Comparison Approach*

As indicated in Property Appraisal and Assessment Administration (IAAO,1990), in the absence of a sale of the subject, sales prices of comparable properties are usually considered the best evidence of market value. The sales comparison approach models the behavior of the market by comparing the properties being appraised with comparable properties that have recently sold or for which offers to purchase have been made. Their sales prices will then be adjusted for differences from the subject and a market value for the subject is estimated from the adjusted sales prices of comparable properties.

The district does not currently develop estimates of value for single-family properties using the traditional sales comparison approach. The district has not yet implemented the modeling utilities available in our core CAMA software to develop estimates of value using the sales comparison approach. The district does use the sales comparison approach in both formal and informal meetings with the taxpayer to justify values obtained using the hybrid cost-market approach.

### *Income Approach*

The income approach is based on the principle that the value of an investment property reflects the quality and quantity of the income it is expected to generate over its life. In other words, value is the estimated present value of future benefits, namely income and proceeds from the sale of the property. The appraiser must estimate income from a property and capitalize the income into an estimate of current value.

The model used to estimate the present value of income expected in the future is represented by the following formulas known as IRV.

$$\text{Value} = \text{Income}/\text{Rate or, Income} = \text{Rate} \times \text{Value or, Rate} = \text{Income}/\text{Value}$$

The income approach is most suitable for types of properties frequently purchased and held for the purpose of producing income, such as apartments, commercial buildings, and office buildings. It is normally not conducive to the valuation of single-family residential properties that are seldom rented, or where market demand factors such as personal preferences or location unduly influence the market. The district does use the income approach in both formal and informal meetings with the taxpayer to justify values obtained using the cost-market approach when it is prudent to do so.

## **INVENTORY RESIDENTIAL PROPERTY**

Residential improved and vacant property is appraised in compliance with the Texas Property Tax Code, Section 23.12 (a). In general, the district sends inventory appraisal rendition forms to qualified developers each year. These completed forms are used by the district for the actual



itemized construction, labor, and material costs, plus other soft or indirect costs. The information is analyzed to determine the discount that should be applied to the land and or improvement values to estimate market value as of the assessment date. The market values of improved inventory will be reviewed annually and inventory consideration will be eliminated when ownership transfers to an owner who will occupy the improvement for residential purposes.

## **COMMERCIAL REAL PROPERTY**

The valuation period will begin in January and last until the end of mid-April. Once proposed values will be finalized, a ratio study will be performed to test the level and uniformity of appraisal within property use and among various classes. Apartments with over twenty units, retail and warehouse properties, golf courses and office buildings will be valued by the cost approach or the income approach, as deemed most appropriate pursuant to Section 23.0101.

### Valuation Methods Used:

#### *Cost Approach*

The cost approach to value will be applied using the comparative unit method. This methodology involves the use of national cost data reporting services as well as actual cost information on comparable properties whenever possible. Cost models are typically developed based on *Marshall & Swift Services*.

Cost models include the use of replacement cost new (RCN) of all improvements. The replacement cost will be used because it values the cost of a property that is a utility equivalent of the property being appraised using current construction methods and materials and are updated annually. This method is alternative to using the reproduction cost, which is the cost to construct an exact duplicate of the property being appraised. These costs include comparative base rates, per unit adjustments and lump sum adjustments. This approach also employs an alternative valuation method for the underlying land. Time and location modifiers will be 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 our cost models, local modifiers will be applied to adjust the base costs specifically for McLennan County. Depreciation schedules will be developed based on what is typical for each property type of that specific age. Depreciation schedules have been implemented for what is typical of each major class of commercial property by economic life categories. Schedules have been developed for improvements with fifteen, twenty, twenty-five, thirty, thirty-five, forty, forty-five, fifty, fifty-five, sixty, sixty-five, seventy and seventy-five year expected economic life. These schedules will be tested every other year to ensure they will be reflective of current market conditions. The actual and effective ages of improvements will be noted in the CAMA software. Effective age estimates will be based observed condition, desirability and utility of the improvement.

Market adjustment factors such as external and functional obsolescence will be applied, if warranted. A depreciation calculation override will be applied if the condition or effective age of a property varies from the norm. This override is indicated by appropriately noting the physical condition and functional utility ratings on the property data characteristics. These adjustments will typically be applied to a specific property type or location and will be developed through ratio studies or other market analyses. Accuracy in the development of the cost schedules, condition ratings, and depreciation schedules usually minimize the necessity of this type of an adjustment factor.

### *Sales Comparison 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 as a primary method for estimating land value but also in comparing sales of similarly improved properties to each parcel on the appraisal roll. Pertinent data from actual sales of properties, both vacant and improved, will be obtained throughout the year in order to analyze relevant information, which is then 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 will also be used in ratio studies, which afford the appraiser an excellent means of judging the present level and uniformity of the appraised values.

Based on the market data analysis and review discussed in the cost, income and sales approaches, the cost and income models will be calibrated annually. The calibration results will be keyed to the schedules and models in our CAMA system for utilization on all commercial properties in the district.

### *Income Approach*

The income approach to value will be applied to those real properties that are typically viewed by market participants as “income producing”, which are bought and sold based on the property’s ability to produce income, 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. This is derived primarily from actual rent data furnished by property owners and from local offerings for rent. A bi-annual rental survey for apartments is performed by McCAD’s commercial department or by using accepted journals that collect sales and recent data for our area. This per unit rental rate multiplied by the number of units results in the estimate of potential gross rent. The district subscribes to a national service that provides local sales and rental information on commercial business enterprises within McLennan County to supplement our own sales and data collection efforts.

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 on local market data or journals. This allows and accounts for periodic fluctuations in occupancy, both above and below an estimated stabilized level. The market derived stabilized vacancy and collection loss allowance is subtracted from the potential gross rent estimate to yield an 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 or EGI.

Allowable expenses and expense ratio estimates will be based on a study of the local market, with the assumption of “prudent management”. When necessary an allowance for non-recoverable expenses such as leasing costs and tenant improvements will be included in the expenses. A non-recoverable expense represents costs that the owner pays to lease rental space. Different expense ratios will be developed for different types of commercial property based on use. For instance, retail properties are most frequently leased on a triple-net basis, whereby the

tenant is responsible for his pro-rata share of taxes, insurance and common area 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 of all expenses incurred during the first year of the lease. However, any amount in excess of the total per unit expenditure in the first year is the responsibility of the tenant. Under this scenario, the total operating expense in year one establishes the base rate. Any increase in expense over the base rate throughout the remainder of the lease term would be the responsibility of the tenant. As a result, expense ratios will be implemented based on the type 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 large lump sums. 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. Subtracting the allowable expenses (inclusive of non-recoverable expenses and replacement reserves) from the effective gross income yields an estimate of net operating income.

Rates and multipliers will be used to convert income into an estimate of market value. These include income multipliers, overall capitalization rates, and discount rates. Each of these is used in specific applications. Rates and multipliers also 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.

Capitalization analysis will be used in the income approach models. This methodology involves the capitalization of net operating income as an indication of market value for a specific property. Capitalization rates, both overall (going-in) cap rates for the direct capitalization method and terminal cap rates for discounted cash flow analyses will be derived from the market. Sales of improved properties from which actual income and expense data are obtained provide a very good indication of what a specific market participant is requiring from an investment at a specific point in time. Additionally, overall capitalization rates can be derived from the built-up method, band-of-investment, debt coverage ratio, and published sources for similar properties, as well as results from verified sales. The capitalization rates relate to satisfying the market return requirements of both the debt and equity positions of a real estate investment. This information is obtained from real estate and financial publications, as well as cap rate studies conducted by the district using verified sales and income information for that specific property. Rent loss concessions will be made on specific properties with known 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 will be 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) and leasing expenses will be added to the rent loss estimate. A leasing expense necessary to bring the property to a stabilized level is also included in this adjustment. The total adjusted loss from these real property operations will be 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 will be deducted from the value estimate of the property at stabilized occupancy. A variation of this technique allows that for every year that the property's actual occupancy is less than stabilized occupancy a rent loss deduction may be estimated. Conversely, if a property were above the stabilized occupancy level as of the appraisal date, the market would pay a premium for this situation. In this instance, the present value of

the excess income over the stabilized level will be added to the value of the property.

## **INDUSTRIAL REAL PROPERTY**

These properties will be valued each year by district staff as well as outside appraisal firms under contract. For 2021 Industrial properties will be primarily appraised by Capitol Appraisal Group and will be re-evaluated for 2022 based on internal staffing and budget constraints. Industrial properties will typically be valued on a cost approach basis since these properties have a low frequency of being bought and sold in the open market compared to commercial and residential properties. In addition, since these properties are owner occupied, the income approach to value will rarely be applicable to industrial properties.

### Valuation Model Used:

#### *Cost Approach*

The cost approach is most applicable to the valuation of industrial properties. The values will be appropriately adjusted for age and condition and, if warranted, additional adjustment will be made for facility utilization. For example, two facilities making the same or similar products will not necessarily have values close together because one facility may have better efficiencies, which makes that facility worth more in the market. The market's estimation of the worth of a facility will be taken into account since there will rarely be any similar properties available for comparison under the sales or income approaches to value.

Cost schedules will be tested with market data (sales) to ensure that the appraisal district is in compliance with Texas Property Tax Code, Section 23.011. Replacement cost new tables as well as depreciation tables will be tested for accuracy and uniformity using ratio studies compared with cost data from *Marshall & Swift* and are updated annually.

#### *Sales Comparison Approach*

As previously stated, industrial real property does not have a history of being bought and sold with any regularity in the open market. In fact, most industrial facilities remain just as they are for many years, decades even, without changing ownership.

The few sales of industrial facilities that do occur are not typically used because the sales are usually part of a merger or acquisition and other assets and intangible considerations are part of the sales price and are not disclosed. There will usually not be enough verifiable sales of stand-alone industrial properties to have a representative sample of properties to which to compare when valuing other industrial properties.

#### *Income Approach*

Industrial facilities are rarely valued by the income approach to value since they are usually owner occupied. These facilities are usually general commercial structures built out to meet an industrial owners needs over a certain period of time. In other words, an industrial facility is built for that owner's needs and not built to turn around and lease out the facility to another

industrial user. There are not enough industrial facilities built by industrial users that are leased out to other industrial users to be a meaningful universe of properties for valuation purposes, if they can be found at all.

Industrial real property valuation appraisers consider all three approaches to value to see which approach is most applicable to the property being valued. Usually, the cost approach is most applicable for the reasons previously given, but if there are any commercial properties that are closely similar to the industrial property being valued, then the approach to value for the commercial property is reviewed to see if its method is suitable for the industrial property being examined.

## **BUSINESS PERSONAL PROPERTY**

### Valuation Method Used:

#### *Cost Approach*

The primary approach to the valuation of business personal property is the cost approach. Cost schedules will be developed based on Standard Industrial Classification (SIC) codes. These schedules will be reviewed to conform to changing market conditions, if necessary.

Comparable type property values will be used to estimate the value of new accounts for which no property owner's rendition is filed. Comparable values will establish parameters for testing the valuation of property for which prior years' data exists or for which current year rendered information is available.

The percent good depreciation factors will be based on the depreciation schedules for furniture, fixtures, and equipment as published in the *Marshall Valuation Service* for October of each year. This mass appraisal percent good depreciation schedule is used to ensure that estimated values are uniform and consistent within the market. RCN and percent good depreciation factors will be utilized to develop value estimates using the following formula:

MARKET VALUE ESTIMATE = RCN X PERCENT GOOD FACTOR

#### *Sales Comparison Approach*

Business personal property is typically sold as part of the business as a whole and not by itself, which makes this approach unsuitable for valuing most personal property. This approach is only suitable for the valuation of certain types of vehicles and heavy equipment. Value estimates for vehicles will be provided by an outside vendor and are based on data furnished by National Market Reports. An appraiser using published market guides such as the NADA blue book will appraise these types of properties.

There are not enough known sales of business personal property to have a meaningful population of sales for value comparison purposes. This category of personal property is inclusive of various types, such as furniture, computers and machinery with each having different useful lives. It is typical for personal property to be included in the sale of a facility, instead of being sold separately. There may be certain subsets of personal property that are sold, but all of the personal property must sell at the location with this separate personal property amount known to make meaningful value comparisons under the sales approach.

### *Income Approach*

The income approach has limited use in the appraisal of machinery, equipment, furniture, fixtures, and leasehold improvements because of the difficulty in estimating future net benefits; except in the case of certain kinds of leased equipment. When reliable data on equipment leases is available, the income approach may be used to estimate fair market value of the equipment.

The income approach is not suitable in the appraisal of industrial personal property because the industrial facility operator in the production of an end service or product is using the personal property. Industrial facilities are not in the business of leasing their personal property to another industrial facility for the production of an end service or product.

## **CAPITOL APPRAISAL GROUP CAD Plan for Periodic Reappraisal of Utility, Railroad and Pipeline Property**

Subsections (a) and (b), Section 25.18, Tax Code:

- (a) CAD shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05 (I).
  
- (b) The plan provides for annual reappraisal of all utility, railroad and pipeline property appraised by the CAD. The CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise these properties for the CAD.
  - (1) 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 also confidential to assist in identification of these properties.
  
  - (2) 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 confidential rendition. Additional data are obtained through public sources, regulatory reports and through analysis of comparable properties.
  
  - (3) 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 services reports are used to help define market areas.
  
  - (4) 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 be used if appropriate data are available. Utility and

railroad property are appraised in a manner similar to pipeline except that the RCNLD model is not used.

- (5) 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 more experienced appraiser contributes to the review process. These types of property are subject to review by the Property Tax Division of the Texas Comptroller's Office through their annual Property Value Study.

### **CAD Plan for Periodic Reappraisal of Industrial Property**

Subsections (a) and (b), Section 25.18, Tax Code:

- (b) CAD shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05 (I).
- (b) The plan provides for annual reappraisal of selected industrial property appraised by the CAD. The CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise these properties for the CAD.
  - (1) 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.
  - (2) 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, assets lists and other confidential data also provide additional information. Subject property data is verified through previously existing records and through published reports.
  - (3) 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 area.
  - (4) 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 (cost, income and market), industrial properties are most commonly appraised using Replacement/Reproduction Cost New Less Depreciation models because of readily available cost information. If sufficient income or market data are available, those appraisal models may also be used.

- (5) 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 more experienced appraiser contributes to the review process.

### **CAD Plan for Periodic Reappraisal of Industrial Personal Property**

Subsections (a) and (b), Section 25.18, Tax Code:

- (c) CAD shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05 (i).
- (b) The plan provides for annual reappraisal of all industrial personal property appraised by the CAD. The CAD has a professional services contract with Capitol Appraisal Group, Inc. (CAGI) to appraise these properties for the CAD.
  - (1) 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.
  - (2) 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. These data are verified through previously existing records and through public reports.
  - (3) Defining market areas in the district: Market areas for industrial personal property are generally either regional or national in scope. Published price sources are used to help define market areas.
  - (4) 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 are used when economic and/or subject property income is available, and a market data model is used when appropriate market sales information is available.
  - (5) 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 more experienced appraiser contributes to the review process.



## **VALUE DEFENSE**

Evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal and formal appraisal review board hearings will be developed and provided to the property owner or agent in compliance with HB. 201. After a protest is received and verified, hearing evidence will be generated. To the extent possible, hearing evidence will be available for the following property types:

- Residential Property
- Special Inventory Residential Property
- Muti-Family Residential Property
- Commercial Real Property
- Vacant Real Property
- Industrial Real Property
- Utilities
- Mineral Interests
- Special Valuation Properties
- Business Tangible Personal Property
- Industrial Tangible Personal Property

## **THE MASS APPRAISAL REPORT**

Each tax year, the mass appraisal report is prepared and certified by the chief appraiser at the conclusion of the appraisal phase of the ad valorem tax calendar (on or about May 15th). The mass appraisal report is completed in compliance with USPAP Standard Rule 6-8. The signed certification by the chief appraiser is compliant with USPAP Standard Rule 6-9. This reappraisal plan is attached to the mass appraisal report. See Exhibit A.

# Exhibit 'A'

## MASS APPRAISAL SUMMARY REPORT

## MCLENNAN COUNTY APPRAISAL DISTRICT

### 2020 MASS APPRAISAL SUMMARY REPORT

**Identification of Subject:** The property subject to this report is all real property and tangible personal property, unless specifically exempted, located within the boundaries of the McLennan County Appraisal District, hereinafter referred to as "MCAD" or "District".

**Effective Date of Appraisal:** The effective date of this mass appraisal is January 1, 2020, unless otherwise specified as in the case of some inventories, which may qualify for appraisal as of September 1 in accordance with Section 23.12, Texas Property Tax Code. The date of this appraisal report is May 15, 2020.

**Purpose and Intended Use of Appraisal:** The purpose of this mass appraisal is to estimate the market value of all taxable property in an equitable and efficient manner for ad valorem tax purposes in accordance with the laws of the State of Texas.

**Legal Requirements:** This mass appraisal is made within the provisions of the Texas Property Tax Code.

**Administrative Requirements:** This mass appraisal is conducted in accordance with the reappraisal policy of MCAD and the methods and procedures described in the appraisal manual of the District. Furthermore, the District subscribes to the standards of The Appraisal Foundation known as the *Uniform Standards of Professional Appraisal Practices*.

**Definition of Market Value:** Market value for purposes of this mass appraisal is as defined by the Texas Property Tax Code, §1.04(7), and is as follows:

"Market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- A. exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- B. both the seller and the purchaser 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
- C. both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

In regards to inventory held as part of a business, §23.12(a) of the Texas Property Tax Code further provides, in part; "the market value of an inventory is the price for which it would sell as a unit to a purchaser who would continue the business."

**Identification of Properties:** The descriptions of the properties included in this appraisal are included in detail within the appraisal records of MCAD. These descriptions include, but are not limited to the legal description, situs location, ownership and detailed listing of the characteristics of the properties.

**Property Rights to be Valued:** Properties are appraised in fee simple interest. However, restrictions, easements, encumbrances, etc., are considered on an individual basis. Fractional interests or partial holdings are appraised in fee simple for the total property and divided proportionately based on the pro-rated interests.

**Assumptions and Limiting Conditions:** The District has taken reasonable steps to secure adequate funding; however fiscal restraints do impact the mass appraisal process. Limited resources and personnel are available to perform the appraisals; therefore, it is not possible to physically inspect

every property included on the appraisal roll. When physical inspections were conducted on real property, they were generally performed with exterior review only. It is assumed that the interior conditions are consistent with the exterior condition. When physical inspections were made for the valuation of personal property, inspections were made of the entire facility if allowed by the owner or management of the business.

This mass appraisal has been made under the following additional assumptions and limiting conditions:

- It is assumed that the title to the properties is good and merchantable.
- No liability is assumed for matters of a legal nature.
- Assumptions made in the report are based on the best knowledge and judgment of the appraiser and are believed to be typical of the market.
- All properties are appraised as if free and clear of any or all liens or encumbrances, unless otherwise stated.
- Existence of hazardous materials or other adverse environmental conditions are not considered, unless otherwise indicated.
- Any drawings, photographs, plan, or plats are assumed to be correct and are included solely to assist in visualizing the property.
- It is assumed that there is full compliance with all applicable federal, state, and local regulations and laws, unless otherwise noted.
- No responsibility is assumed for hidden or unapparent conditions in the property that may affect its value.
- It is assumed that all required licenses, certificates of occupancy, consents or other administrative authority from local, state or federal governments can be obtained or renewed for any use on which the value estimate contained in this report is based.
- A specific survey and analysis of properties to determine compliance with the provisions of the Americans with Disabilities Act has not been performed and possible non-compliance has not been considered in valuing these properties.
- While it is believed all information included in the appraisal is correct and accurate; the appraiser does not guarantee such.

This report may not be used for any purpose or by any person other than the party to which it is addressed without the written permission of the McLennan County Appraisal District.

**Scope of Appraisal:** The scope of the appraisal relates to the nature of the appraisal assignment and the extent of collecting, confirming, and reporting the data, which provides the basis for the estimate of value.

The three generally accepted approaches to value are considered in estimating the market value for each property, with the most appropriate method given the greatest emphasis.

A market-based cost approach is considered the most appropriate for single family residential, most owner occupied commercial, and mobile homes since this method reflects the actions of buyers and sellers in the market, with some exceptions. This approach is based on the principal that a buyer will not pay more for a property than the cost of acquiring a vacant site and constructing a substitute structure of comparable utility, assuming no costly delays in construction.

The sales comparison method is used for vacant lots and land because it reflects the actions of the market place. Where there are no vacant lot sales, an allocation by abstraction is used to value land. Since these properties typically do not produce any income, the income approach to value is given minimal emphasis.

The income approach is applicable to revenue producing property. It is based on the principal of present worth of future benefits. High-valued commercial properties rarely sell and although difficult to obtain, Income information is usually the only available source of factual data.

In the event a property is unavailable for inspection and the owner has not supplied any information, the appraiser has estimated the measurements and condition of the improvements or a lump sum value for the property.

Personal property is appraised utilizing the cost approach to value. The market approach is used for some categories of personal property when available.

All appraisal estimates are made in compliance with requirements as provided in the Texas Property Tax Code.

This report is applicable to the following property types: single family and multifamily residential, vacant lots and acreage, farm and ranch properties, commercial and industrial properties, mineral, utility, business personal property and mobile homes.

**Personnel Resources:** The McLennan County Appraisal District staff consists of 42 full-time employees within the departments listed below.

- 4 - Administration
- 12 - Customer Service
- 10 - Residential Valuation
- 5 - Commercial Valuation
- 5 - Personal Property Valuation
- 6 - GIS Mapping

The administrative staff is responsible for overall planning, organizing, staffing, coordinating, and supervising MCAD and the appraisal activities. The appraisal duties are divided among three departments: Residential, Commercial, and Personal Property. The Residential Department is responsible for appraising all residential housing, and mobile homes in the District. The Commercial Department is responsible for appraising all commercial, industrial, utility, multi-family real property, excluding 4-plexes and smaller in the District. Land is appraised by both the residential and commercial departments. The Personal Property Department appraises business personal property. The Customer Service Department is responsible for exemptions, owner addresses, some data entry, and first response to the property owner. Several support staff are responsible for data entry and verification of data. The Chief Appraiser, Assistant Chief Appraiser and all appraisers are registered with the Texas Department of Licensing and Regulation. All but two of the twenty appraisers have obtained their Registered Professional Appraiser (RPA) certification. The Chief Appraiser has his RPA and RTA designation.

The McLennan County Appraisal District contracts with Capitol Appraisal Group Inc. to appraise its personal property utility properties (Category J).

**Data Collection and Verification Resources:** The McLennan County Appraisal District is responsible for approximately 121,932 real and personal property accounts covering approximately 1,198 square miles. MCAD is responsible for appraising property for 44 entities comprised of twenty (20) school districts, twenty (20) cities, three (3) special districts, McLennan County and McLennan Community College. Appraisal records are maintained in a computer automated mass appraisal (CAMA) system.

Property characteristic data is recorded for each property to be appraised. Resources for the discovery, describing, and listing of property include, but are not limited to the following: field inspections by appraisal staff, renditions, deed records, plat records, and assumed name certificates filed for record with the McLennan County Clerk's office, city building permits, local fee appraisers, builders and realtors, newspaper publications, maps, aerial photography, various third party data sources and other appraisal records of the District.

Construction costs are gathered from available sources including, but not limited to the Marshall and Swift Valuation Service and local builders and developers for use in the cost approach to value.

Information for the sales comparison approach is gathered from properties within the appraisal district through the mailing of questionnaires to grantors and grantees, and all other available sources deemed reliable. Sales data is entered into the "Sales Module" of the appraisal database making it available for use by the appraisal staff. Sales are checked for validity by appraisal and clerical staff.

Rental rates, expenses and occupancy rates are gathered on income producing properties for use in the income approach to value through questionnaire mailings, owner filed property reports and telephone surveys. Income and expense information is entered into a spreadsheet database for analysis and use by district appraisers.

Information relating to business personal property is collected during the normal inspection process and through owner filed renditions and property reports. Costs are also researched for personal property using NADA Guides and other sources.

General trends in new construction techniques, construction costs, interest rates and other pertinent data are gathered from various sources such as trade journals, Marshall and Swift Valuation Service, university real estate research centers, and any other sources deemed appropriate and reliable.

**Preliminary Analysis:** A ratio analysis is performed for all types of property to determine the accuracy of schedules and properties that need visual inspection or reappraisal.

**Area Analysis:** MCAD appraises all properties that fall within the county limits. There are thirteen school districts that extend beyond McLennan County. The City of Waco is located in McLennan County, surrounded by several smaller cities. Waco has a population of approximately 140,000 which is about half of the total county population. Baylor University, with a student enrollment of approximately 16,700, is located in Waco. The area also contains a technical college, Texas State Technical College and a junior college, McLennan Community College.

With relatively low interest rates and a growing economy in Waco, new construction and market activity are increasing at a rapid rate in some areas.

**Neighborhood Analysis:** Neighborhood analysis examines how economic, social, physical, and governmental forces affect property values. The effects of these factors are used to identify neighborhoods. Properties whose values are influenced by the same economic, social, physical and governmental forces are grouped as neighborhoods. Included in the neighborhood analysis is the consideration of patterns of development and property use. Neighborhoods typically experience a three-stage cycle: development, stability, and decline.

**Highest and Best Use:** Highest and best use is the reasonably, probable and legal use of vacant land or improved property, which when physically possible, financially feasible, and appropriately supported, results in the highest value for the property. For improved properties, the highest and best use determination of a site is made both as if the site is vacant and as improved. The highest and best use for residential property that has a homestead exemption is by law its current use even though its highest and best use may be commercial or industrial.

**Data Collection and Validation:** Appraisers are assigned areas to work annually either by aerial photography or physical inspection. Although most inspections are performed as a drive-by, properties with changes such as additions, swimming pools, and etc. are conducted by an on-site inspection or aerial photos if the image allows. Properties where physical data has been questioned or requires reviewing, inspections may include confirming the dimensions of structures and/or a complete interior and exterior inspection. The field appraiser determines the extent of the inspection needed. A walk-through inspection is made on all new construction if possible. Physical characteristics such as size, quality of construction, detail and property amenities are determined during these inspections. Additionally, size is confirmed through sources such as building permits, construction plans, aerial photos and realtor information. All available and reliable resources are used in pursuit of accurate characteristic data for each property.

Recently sold properties, with high variances from typical sales ratios are site inspected or inspected by aerial photos to ensure proper classification and accurate characteristic descriptions prior to being used in ratio studies or being used to develop market value adjustment factors. They are also checked for any enhancements made prior to sale that may update effective age or change over all depreciation since the last inspection and appraisal.

**Depreciation:** Depreciation is the loss in value from replacement cost new of an improvement or personal property item due to physical deterioration, functional obsolescence and/or economic obsolescence. Each property, during the on-site review process, is assigned a depreciation factor

based on the observed physical condition of the property. Additional adjustments may be made to the property for functional or economic obsolescence if conditions so warrant. Personal property is depreciated using the age-life method based on a typical economic life for each personal property component type.

**Testing:** Appraised values to sale price ratio studies are conducted to determine the accuracy of values in the District. All areas are tested every year based on the availability of sales information. Ratio tests are performed first to see if global or general adjustments should be made to the cost and/or depreciation schedules or if certain geographic areas or improvement subclasses require reappraisal. The final ratios are performed by school district and/or state code, where sales information is available. Stratification is performed to help in determining if certain valued properties need to be reappraised.

**Certification:**

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

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and 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, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment.
- My 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.
- Don Whitney, Gary Schibler, and Jim Halbert provided significant professional assistance to the person signing this report.

/Original Signed/  
\_\_\_\_\_  
Joe Don Bobbitt, Acting Chief Appraiser  
McLennan County Appraisal District

/Original Signed/  
\_\_\_\_\_  
Don Whitney, Director of Appraisal  
McLennan County Appraisal District

/Original Signed/  
\_\_\_\_\_  
Gary Schibler, Personal Property Supervisor  
McLennan County Appraisal District

/Original Signed/  
\_\_\_\_\_  
Jim Halbert, Residential Supervisor  
McLennan County Appraisal District



# Exhibit 'B'

## **SCHOOL DISTRICTS TO BE REAPPRAISED**

## MCAD REAPPRAISAL DISTRICTS 2021-2022

**2021**

	<b>School District</b>	<b>Total Props</b>	<b>Commercial</b>	<b>Business Personal Property</b>	<b>Residential</b>
12	AXTELL ISD	2177	77	94	2006
14	BOSQUEVILLE ISD	1703	254	153	1296
18	CHINA SPRING ISD	6539	195	281	6063
20	CONNALLY ISD	7833	674	515	6644
24	GHOLSON ISD	1126	22	34	1070
26	HALLSBURG ISD	919	54	34	831
28	LA VEGA ISD	7121	991	567	5563
44	ROBINSON ISD	5871	276	366	5229
	<b>Total Parcels</b>	<b>33289</b>	<b>2543</b>	<b>2044</b>	<b>28702</b>

**2022**

	<b>School District</b>	<b>Total Props</b>	<b>Commercial</b>	<b>Business Personal Property</b>	<b>Residential</b>
16	BRUCEVILLE- EDDY ISD	2513	245	113	2155
22	CRAWFORD ISD	1963	127	103	1733
30	LORENA ISD	4087	294	266	3527
34	McGREGOR ISD	3929	441	470	3018
36	MIDWAY ISD	20646	1748	1786	17112
38	MOODY ISD (Formerly BELL)	2162	177	83	1902
40	OGLESBY ISD (formerly Coryell)	33	1	1	31
46	VALLEY MILLS ISD (formerly Bosque)	726	20	27	679
	<b>Total Parcels</b>	<b>36059</b>	<b>3053</b>	<b>2849</b>	<b>30157</b>

# Exhibit 'C'

## MARKET AREAS

## 2021 Residential Neighborhood Plan

12890.1	42890.1	48045.0	48096.0	48139.0	48505.1	48557.1	48709.1	50000.3
12890.5	42890.3	48046.0	48097.0	48140.0	48510.1	48558.1	48710.1	50001.1
20890.1	42890.4	48048.0	48098.0	48141.1	48511.1	48559.1	48711.1	50001.2
24890.1	42890.5	48049.0	48099.0	48142.1	48511.2	48560.1	48711.2	50001.3
26275.0	44890.1	48050.0	48100.0	48143.1	48512.1	48561.1	48711.3	50002.1
28890.1	44890.4	48051.0	48101.0	48144.1	48512.2	48562.1	48711.4	50002.2
32000.0	48001.0	48052.0	48102.1	48145.1	48513.1	48563.1	48712.1	50003.1
32000.1	48002.0	48053.0	48102.2	48146.1	48513.2	48563.2	48713.1	50003.2
32000.3	48003.0	48054.0	48102.3	48147.0	48513.3	48564.1	48714.1	50003.3
32001.1	48004.0	48055.0	48102.4	48148.0	48515.0	48565.1	48715.1	50004.1
32001.2	48005.0	48055.1	48102.5	48149.0	48515.1	48566.1	48716.1	50004.2
32002.1	48006.0	48056.0	48103.0	48150.1	48516.0	48567.1	48717.1	50004.3
32002.2	48007.0	48057.0	48104.0	48151.1	48516.1	48570.1	48718.1	50006.5
32003.1	48007.1	48057.1	48105.0	48152.0	48517.1	48571.1	48719.1	50018.0
32003.2	48008.0	48058.0	48105.1	48153.0	48517.2	48572.1	48720.1	50020.1
32004.1	48009.0	48059.0	48106.0	48154.0	48517.3	48573.1	48721.1	50022.1
32004.2	48010.0	48059.1	48107.0	48155.0	48520.1	48574.1	48722.1	50035.0
32325.2	48011.0	48060.0	48108.0	48156.1	48522.1	48575.0	48723.1	50038.0
32725.0	48012.0	48060.1	48108.1	48157.1	48523.1	48575.1	48724.1	50039.0
32870.0	48013.0	48061.0	48110.0	48237.0	48527.1	48576.1	48724.2	50040.0
32890.1	48014.0	48062.0	48111.0	48300.0	48528.1	48577.1	48725.1	50041.0
32890.3	48015.0	48063.0	48112.0	48350.0	48529.1	48578.1	48726.1	50042.0
32890.4	48016.0	48064.0	48113.0	48360.0	48529.2	48579.1	48727.1	50045.0
32890.5	48019.0	48066.0	48114.0	48370.0	48530.1	48600.1	48728.1	50100.0
32890.6	48020.0	48067.0	48115.0	48375.0	48531.1	48600.2	48729.1	50478.0
36017.0	48021.0	48068.0	48116.0	48375.1	48532.1	48600.3	48730.1	50700.0
36130.0	48023.0	48069.0	48117.0	48375.2	48533.1	48600.4	48731.1	50701.0
36135.1	48023.1	48071.0	48119.0	48375.3	48534.1	48600.5	48732.1	50715.7
36158.0	48024.0	48072.0	48120.0	48385.0	48535.1	48600.61	48733.1	50760.0
36871.0	48025.0	48073.0	48121.0	48401.1	48536.1	48600.62	48734.1	50793.0
36880.0	48025.1	48074.0	48122.0	48402.1	48537.1	48600.71	48734.2	50793.1
42000.0	48026.0	48075.0	48123.0	48403.1	48538.1	48600.72	48735.1	50801.0
42000.1	48026.1	48076.0	48124.0	48405.1	48539.1	48601.1	48736.1	50870.0
42000.3	48027.0	48077.0	48125.0	48406.1	48540.1	48601.2	48737.1	50870.1
42001.1	48028.0	48078.0	48126.0	48407.1	48542.1	48601.3	48738.1	50890.1
42001.2	48029.0	48079.0	48127.0	48408.1	48543.1	48601.4	48739.1	50890.3
42002.1	48031.0	48081.0	48128.0	48409.1	48544.1	48601.5	48870.0	50890.4
42002.2	48033.0	48082.0	48129.0	48411.1	48545.1	48601.6	48870.1	50890.5
42003.1	48034.0	48083.0	48130.0	48412.1	48546.1	48601.8	48870.2	50890.6
42003.2	48034.1	48084.0	48131.0	48413.1	48547.1	48701.1	48870.3	50890.7
42004.1	48035.0	48084.1	48132.0	48500.1	48548.1	48702.1	48890.1	
42004.2	48036.0	48085.0	48133.0	48500.2	48551.1	48703.1	48890.3	
42275.3	48039.0	48086.0	48134.0	48500.3	48552.1	48704.1	48890.4	
42375.0	48040.0	48088.0	48135.0	48501.1	48553.1	48705.1	48890.5	
42535.0	48041.0	48089.0	48136.0	48502.1	48554.1	48706.1	48890.6	
42870.0	48042.0	48092.0	48137.0	48503.1	48555.1	48707.1	50000.0	
42870.1	48043.0	48095.0	48138.0	48504.1	48556.1	48708.1	50000.1	

## 2021 Commercial Neighborhood Plan

32950.1	48905.3	48925.6	48950.1	48980.D	50957.5
32950.2	48905.A	48925.8	48951.0	48980.E	50957.6
32980.1	48905.E	48925.A	48951.F	48981.0	50957.7
42950.1	48905.F	48925.B	48951.G	48981.1	50957.8
42980.1	48909.2	48925.D	48952.1	48982.1	50957.9
42989.1	48909.3	48925.G	48952.2	48982.2	50957.A
42989.2	48909.4	48925.H	48952.3	48982.4	50957.B
42989.4	48909.5	48925.J	48952.G	48982.5	50957.C
42989.5	48909.6	48925.L	48952.J	48982.6	50957.D
42989.6	48909.A	48925.N	48952.K	48982.7	50957.E
42989.A	48909.B	48925.P	48953.2	48982.8	50957.F
42989.B	48909.D	48925.S	48953.3	48982.9	50957.G
44955.1	48909.J	48926.0	48953.4	48983.5	50957.H
48900.1	48909.L	48928.0	48953.5	48984.0	50957.J
48900.1C1	48912.0	48928.1	48953.A	48984.2	50957.K
48900.1C2	48912.2	48928.2	48953.C	48984.3	50957.L
48900.2	48912.3	48928.3	48955.1	48984.5	50970.1
48900.2C1	48912.4	48928.4	48955.2	48984.A	50975.1
48900.2C2	48912.5	48928.5	48955.3	48985.1	50980.1
48900.2C3	48915.1	48928.6	48955.4	48985.2	
48900.2C4	48915.2	48928.9	48955.5	48985.3	
48900.2C5	48919.0	48928.C	48955.6	48985.6	
48900.2C6	48919.1	48928.D	48955.7	48986.3	
48900.2C7	48919.2	48928.E	48955.8	48986.4	
48900.2C8	48919.3	48930.1	48955.9	48986.5	
48900.2C9	48919.4	48930.2	48955.A	48986.6	
48900.3	48919.5	48930.3	48955.B	48986.7	
48900.3C1	48919.6	48930.4	48955.C	48986.B	
48900.4	48919.7	48930.5	48955.D	48987.0	
48900.5	48919.8	48931.0	48955.E	48987.1	
48900.6	48919.9	48931.2	48957.1	48987.4	
48900.7	48919.A	48931.4	48957.2	48987.6	
48900.8	48919.B	48931.B	48957.3	48987.7	
48900.A	48919.C	48932.0	48957.4	48987.8	
48900.G	48919.D	48933.0	48957.5	48987.9	
48902.1	48919.E	48933.3	48957.6	48987.B	
48902.2	48919.F	48935.0	48970.0	48987.D	
48902.3	48919.G	48937.1	48970.1	48987.E	
48902.4	48919.J	48937.2	48975.1	48987.F	
48902.5	48919.N	48940.1	48975.3	48987.G	
48903.0	48919.P	48940.2	48975.4	48987.P	
48903.2	48919.U	48940.5	48980.0	48988.2	
48903.3	48919.V	48941.1	48980.2	48988.3	
48903.4	48919.W	48941.2	48980.3	48988.5	
48903.5	48924.0	48941.3	48980.5	48989.0	
48903.A	48924.A	48941.4	48980.6	48995.0	
48903.B	48925.0	48941.6	48980.7	50950.1	
48903.C	48925.1	48941.7	48980.8	50957.0	
48903.D	48925.2	48941.8	48980.9	50957.1	
48905.0	48925.3	48941.9	48980.A	50957.2	
48905.1	48925.4	48941.A	48980.B	50957.3	
48905.2	48925.5	48941.C	48980.C	50957.4	

## 2022 Residential Neighborhood Plan

12001.0	18007.0	18093.1	20003.0	20703.0	26757.0	28031.1	30890.1	44032.1
12002.0	18008.0	18172.0	20004.0	20710.7	26757.1	28032.1	30890.3	44033.0
12025.0	18009.0	18325.7	20004.1	20713.1	26870.0	28033.1	36891.1	44034.0
12870.0	18010.0	18451.0	20004.2	20714.0	26890.1	28034.1	44000.0	44035.0
12870.1	18011.0	18468.0	20005.0	20740.7	26890.3	28035.1	44001.0	44036.1
12890.1	18011.1	18475.0	20005.1	20779.0	26890.4	28036.1	44002.1	44037.0
12890.3	18012.0	18477.0	20006.1	20791.0	26890.5	28037.1	44003.1	44038.0
12890.4	18013.0	18582.0	20006.2	20870.0	26890.6	28038.1	44004.1	44039.1
12890.5	18014.0	18582.1	20007.0	20870.1	26890.7	28039.1	44005.0	44040.1
12890.6	18014.1	18710.0	20008.0	20870.3	28001.0	28040.1	44006.1	44075.0
14000.0	18015.1	18723.0	20009.0	20870.4	28002.0	28041.1	44007.0	44475.5
14001.1	18016.1	18725.0	20010.1	20870.7	28003.0	28042.1	44008.0	44701.0
14002.1	18026.0	18726.0	20014.1	20890.1	28004.0	28043.1	44009.1	44743.0
14004.1	18075.0	18746.2	20015.0	20890.3	28004.2	28044.1	44009.2	44744.4
14010.0	18077.0	18746.3	20016.0	20890.4	28005.0	28045.1	44010.0	44870.0
14011.1	18077.4	18753.0	20017.0	20890.5	28006.0	28046.1	44010.1	44890.1
14015.1	18077.41	18757.1	20020.0	20890.6	28007.0	28100.0	44011.1	44890.3
14019.1	18077.42	18767.0	20021.1	20890.7	28008.0	28870.0	44012.1	44890.4
14175.0	18077.43	18778.0	20021.2	20893.7	28010.0	28870.1	44013.0	44890.5
14401.0	18077.44	18778.1	20023.1	22890.1	28011.0	28870.2	44014.0	44890.6
14475.0	18077.7	18783.0	20026.1	22890.5	28012.1	28870.3	44016.0	46890.1
14477.0	18078.0	18783.7	20027.1	24001.1	28013.0	28870.4	44016.1	48405.1
14477.1	18079.0	18870.0	20028.1	24002.1	28015.0	28870.5	44017.0	48890.1
14870.0	18080.0	18870.1	20031.1	24100.1	28016.0	28870.6	44018.1	48890.4
14870.1	18081.0	18871.1	20032.1	24870.0	28017.0	28870.7	44019.1	50478.0
14890.1	18082.0	18872.1	20033.0	24890.1	28019.0	28870.8	44021.0	50870.0
14890.3	18084.0	18873.1	20035.1	24890.3	28020.0	28870.9	44023.1	50890.1
14890.4	18085.0	18890.1	20035.2	24890.4	28021.0	28871.1	44024.0	50890.4
14890.5	18088.0	18890.3	20036.1	24890.5	28022.0	28871.2	44026.0	50890.6
14890.6	18089.0	18890.4	20040.1	24890.7	28023.1	28890.1	44027.0	
14890.7	18090.1	18890.5	20050.1	24950.1	28023.2	28890.3	44028.0	
18003.0	18091.1	18890.6	20325.0	26275.0	28027.1	28890.4	44029.0	
18004.1	18092.1	18890.7	20500.0	26364.0	28028.1	28890.5	44030.0	
18006.0	18092.2	20002.0	20588.0	26570.1	28029.1	28890.6	44031.0	

## 2022 Commercial Neighborhood Plan

12940.0	14980.1	20909.3	20960.1	28909.3	28957.5	28980.6	36955.6	44950.1
12950.1	14999.1	20928.0	20970.1	28909.A	28957.6	28980.7	44909.1	44955.1
12980.1	18919.2	20937.0	20980.1	28909.C	28957.7	28980.8	44909.2	44955.4
12980.2	18919.3	20937.1	24950.1	28909.D	28957.8	28980.9	44909.3	44955.6
14919.1	18919.4	20940.0	24980.1	28940.0	28957.9	28987.1	44909.4	44980.1
14919.2	18919.5	20950.1	26940.0	28940.1	28960.1	28987.2	44909.5	48909.8
14919.3	18919.9	20957.0	26950.1	28940.5	28970.1	28987.4	44909.6	48933.0
14919.4	18970.1	20957.1	26980.1	28940.6	28980.0	28987.5	44909.7	48955.E
14919.5	18980.1	20957.2	26989.1	28950.1	28980.1	28987.6	44909.8	48957.2
14928.0	18999.1	20957.3	26989.2	28957.1	28980.2	28987.7	44909.9	48957.4
14931.0	20909.0	20957.4	26989.3	28957.2	28980.3	28987.8	44909.A	48980.E
14940.0	20909.1	20957.5	28909.1	28957.3	28980.4	28987.9	44909.B	48987.4
14950.1	20909.2	20957.6	28909.2	28957.4	28980.5	28989.2	44940.0	48987.E

# Exhibit 'D'

## CALENDAR OF EVENTS















# Exhibit 'E'

## BUDGET

# Exhibit 'F'

## **RESOLUTION ADOPTING REAPPRAISAL PLAN**



**RESOLUTION OF ADOPTION OF A REAPPRAISAL PLAN  
FOR TAX YEARS 2021 & 2022 FOR  
McLENNAN COUNTY APPRAISAL DISTRICT**

WHEREAS, Sections 6.05 and 25.18 of the Texas Property Tax Code, sets forth requirements for developing a biennial written plan for the periodic reappraisal of all property within the boundaries of the appraisal district; and

WHEREAS, in order to create a definitive plan, the McLennan County Appraisal District has developed a written plan for the District to use for the periodic reappraisal of all property within the boundaries of the district for tax years 2021 & 2022; and

WHEREAS, the Board of Directors of the McLennan County Appraisal District have reviewed the reappraisal plan prepared by the Appraisal District and has determined that the plan meets the statutory criteria and that it is in the public interest that the plan be adopted by the McLennan County Appraisal District,

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MCLENNAN COUNTY APPRAISAL DISTRICT:

That the McLennan County Appraisal District adopts the Reappraisal Plan for Tax Years 2021 and 2022, attached hereto as Exhibit 1.

PASSED AND APPROVED THIS THE \_\_\_\_th Day of \_\_\_\_\_, 2020

\_\_\_\_\_  
John Kinnaird, Chairman  
McLennan County Appraisal District

ATTEST:

\_\_\_\_\_  
Allen Sykes, Secretary  
McLennan County Appraisal District

## CITY OF WACO -- WACO CONVENTION CENTER

### Event Contract

This Contract, made and entered into at Waco, Texas, by and between the City of Waco, Texas, a Home Rule Municipality, herein-after called Lessor, whose address is P.O. Box 2570, Waco, Texas, 76702-2570, and, McLennan County Appraisal District, hereinafter called Lessee, whose address is: P.O. Box 2297 WACO TX 76703-2297.

Whereas, Lessor is the owner and operator of the Waco Convention Center, and Lessee desires to use the premises located within the Waco Convention Center as described herein;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. Lessor grants to Lessee, and Lessee accepts the right to use, subject to this Contract and the Terms and Conditions thereof, the following premises located within the Waco Convention Center for the time period provided below:

**Date(s) and Times for Room Utilization (include days for decorating, move-in, move-out, etc.)**

Friday, August 7, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room setup  
Friday, August 7, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms setup/Staff Breakroom  
Monday, August 10, 2020 - 8:30 AM - 5:00 PM - LONE STAR ROOM #103 - Hearing Room  
Monday, August 10, 2020 - 8:30 AM - 5:00 PM - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Tuesday, August 11, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Tuesday, August 11, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Wednesday, August 12, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Wednesday, August 12, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Thursday, August 13, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Thursday, August 13, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Friday, August 14, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Friday, August 14, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Monday, August 17, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Monday, August 17, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Tuesday, August 18, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Tuesday, August 18, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Wednesday, August 19, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Wednesday, August 19, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Thursday, August 20, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Thursday, August 20, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Friday, August 21, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Friday, August 21, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Monday, August 24, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Monday, August 24, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Tuesday, August 25, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Tuesday, August 25, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Wednesday, August 26, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room

Wednesday, August 26, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Thursday, August 27, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Thursday, August 27, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Friday, August 28, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Friday, August 28, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Monday, August 31, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Monday, August 31, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Tuesday, September 1, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Tuesday, September 1, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Wednesday, September 2, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Wednesday, September 2, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Thursday, September 3, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Thursday, September 3, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Friday, September 4, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Friday, September 4, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakrooms  
Tuesday, September 8, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Tuesday, September 8, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Wednesday, September 9, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Wednesday, September 9, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom  
Thursday, September 10, 2020 - 7:00 AM - Midnight - LONE STAR ROOM #103 - Hearing Room  
Thursday, September 10, 2020 - 7:00 AM - Midnight - RANGER RM #106 -110 - Hearing Rooms/Staff Breakroom

**Approximate Number Attending: 1,200**

2. Lessee shall use the premises for the sole purpose of **Protest Property Tax Hearings**
  
3. Lessee shall pay to Lessor in cash, cashier's check or other prior-approved method, a Deposit in the amount of **\$500.00**, upon execution of this Contract, and the balance of the Estimated Total Amount Due shall be payable (7) seven business days prior to the event date (the parties agree that within this Contract 7 business days shall mean by August 7, 2020) for use of the premises.  
Lessee shall also sign, date and return at least one copy of this Contract with the Deposit. Failure to pay the balance of the Estimated Total Amount Due (hereinafter referred to as "Failure to Pay") at least seven (7) business days prior to the event date ("the deadline"), may result in cancellation of this Contract at the option of Lessor. If the Lessee cancels the event for any reason including "Failure to Pay" by the deadline, any Deposit and payments that have been remitted to Lessor by Lessee under this Contract **will be retained by Lessor.**

The Final Total Account Balance will be calculated after the date of the event and may include charges or credits not indicated on the Estimated Total Amount Due. The Estimated Total Amount Due shall be applied to the Final Total Account Balance.

The Estimated Total Amount of \$11,990.00 includes charges of \$11,750.00 for Room Rental, \$0.00 for beverages (including tax), \$0.00 for catering (including tax), \$240.00 for Equipment Rental. Please see

attached Confirmation Sheet for details. Lessee acknowledges that any services and equipment ordered on the scheduled date of the event will incur a higher rental rate as provided by Lessor's approved fee schedule.

If the Lessee, being entitled to possession hereunder, fails for any reason to take possession of or use the premises, without the written consent of Lessor, **no refund** shall be made and any payment(s) made to Lessor shall be taken by Lessor and the full sum called for by this Contract, including any disbursements or expenses incurred by Lessor in connection therewith, shall be payable by the Lessee to the Lessor.

These payments may include charges for equipment, services, and/or food or beverage services, if Lessor incurs labor or expenses for such services. It is agreed that the retention of any such payments made by the Lessee to the Lessor shall not be considered as a penalty, but shall constitute liquidated damages. It is further agreed that in case of failure to pay any sum due to the Lessor within thirty (30) days after use of the premises, Lessee may be billed all costs of collection, including attorney's fees.


4. Other provisions include, but are not limited to the following:

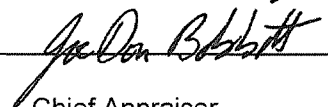
- Proof of Liability Insurance is required and should be returned with this Contract, but no later than seven (7) business days prior to the date of the event. **See full requirements in Terms and Conditions, #7.**
- All food & beverage functions are required to use either In-House Catering Services by Lessor or a caterer from the Approved Caterers List held by the Lessor. Functions using In-House Catering Services by Lessor are required to provide guarantee numbers for food & beverage functions no later than seven (7) business days prior to the date of the event. **A 15% catering fee will be charged if using an outside caterer for any food functions. See Terms and Conditions, #4.**
- Lessor, by holding a TABC-approved Mixed Beverage Permit, reserves the exclusive right to serve and sell all beer, wine and liquor, including cash bars or sponsored bars. Events requiring bar services provided by the Waco Convention Center, are required to provide guarantee numbers for bar service functions no later than seven (7) business days prior to the date of the event. **No donated alcohol will be allowed in the premises. See Terms and Conditions, #3 and #4.**
- Lessor reserves the right to open the Concession Stand for food, snack and beverage sales for cash sales during the event. **See Terms and Conditions, #4.**
- **Security is required for any event where alcohol is being served, events with dancing and other events as deemed necessary by Lessor. Security may be provided by any licensed peace officer and upon agreement with Lessor to provide security for the facility as well as the event.**
- **Lessee must arrange for security hours and payment, independent of Lessor, and must provide Lessor notification of all security arrangements at least seven (7) business days prior to event move-in. Security must be in place for events at least 30 minutes prior to event start time and must remain in place at least 30 minutes after event end time. Failure to have required security may result in additional security charges and/or the delay or cancellation of the event. See Terms and Conditions, #1.**
- No signs or banners may be hung on walls or from ceilings without prior approval of Lessor. No nails, screws, staples, tacks or tape may be used to hang signs without approval of Lessor. No open flames, including candles, are allowed at any time. **See Terms & Conditions, #13-15.**

- Events must abide by all laws of the United States, State of Texas and City of Waco Ordinances, and all rules and regulations of the Waco Police Department and Waco Fire Department. See **Terms & Conditions**.
- Events must comply with all applicable local, state and national fire and safety codes. Event setups are subject to inspection by the Waco Fire Department Fire Marshal in regard to helium tanks, motor vehicles, fire exits, aisles, and other requirements. See **Terms & Conditions, #10 - 31**.
- **Advertising of events showing the name of the Waco Convention Center, or using the phone number or likeness of the facility must be approved by Lessor before implementation. See Terms & Conditions, #16.**
- Plants and foliage are placed throughout the public areas of the Waco Convention Center for aesthetic purposes and belong to the City of Waco. These plants and foliage may not be moved, damaged, changed or removed without approval and consent of Lessor. Any damages, changes or removals may result in the Lessee, and/or the decorator or other agents hired by Lessee, being assessed charges. These charges will be assigned by Lessor.

5. This Contract is subject to the attached **Proposal** and **Terms and Conditions** which are incorporated by reference and made a part of this Contract for all purposes.

IN WITNESS THEREOF, said City of Waco, acting by and through its Convention Center Manager (Lessor), and McLennan County Appraisal District, Lessee, have executed this contract this 4 day of August, 2020.

LESSOR:  
 CITY OF WACO, TEXAS  
 Signed:   
 WACO CONVENTION CENTER

LESSEE:  
 Org: McLennan County Appraisal District  
 Signed:   
 Title: Chief Appraiser  
 Address: 315 S. 26th  
Waco, TX 76710  
 Phone: 254-752-9864

**Waco Convention Center  
 Fee Schedule 2019-2020  
 Effective October 1, 2019**

Hotel/Motel Room Tax	7.00%
Venue Tax	2.00%
All Day Rental	4,000.00
Rental of Entire Building (excludes Business Office and back-of-house areas) Allows Lessee control of lobbies and entrances	
Rental of Single Floor -- Meeting/Event Rooms only	
Upper Level Rental	2,500.00
Lower Level Rental	2,000.00
<b>INDIVIDUAL ROOMS:</b>	
Chisholm Hall	1,600.00
McLennan Hall	800.00
1/3 McLennan Hall	350.00
2/3 McLennan Hall	550.00
Brazos Ballroom w/ Terrace	1,000.00
1/2 Brazos Ballroom	700.00
Bosque Theater	500.00
DeCordova Room/Cameron Room	200.00
Event Office	100.00
Texas Room North	450.00
1/3 TX Room North	200.00
Texas Room South	450.00
1/3 TX Room South	200.00
Ranger Room	300.00
Waco Room	150.00
Lone Star Room #105	100.00
Lone Star Room #104	200.00
Lone Star Room #103	250.00
Upper Main Foyer	300.00
Lower Main Foyer	300.00
Move In/Decorator/Set Up Day	1/2 of daily room rental (2 day max)
Move Out Day	1/2 of daily room rental (1 day max)
After Midnight charge (1:00AM maximum)	200.00 / hr
Early Open - No Show	200.00
Early opening before 7:00AM	200.00 / hr

## EQUIPMENT SERVICES

Skirted Table	20.00
Table Linen Change	6.00
Tables - Standard	
5' (60") Wooden Round (Covered with White Linen)	8.00
6' (72") Linenless Round	8.00
8' Wooden Rectangle Tables	8.00
8' Linenless Rectangle Tables	8.00
Cocktail Tables	10.00
Chairs	0.75
Pipe & Drape - limited supply - black only	
3' high pipe & drape	5.00 / section
8' high pipe & drape	5.00 / section
14' high pipe & drape	8.00 / section
Reset Fees (After room is set originally, cost per chair or table)	Standard Rental Doubled
Stage Sections (6' x 8')	35.00 / section
Master Stage Removal	1,000.00

## AUDIO VISUAL SERVICES

Audio-Visual and meeting equipment	Prices Negotiated
High-speed Internet access (hard wire connection)	75.00 / day

## ELECTRICAL SERVICES

All electrical charges are per day	
120 volt single - 20 amp	30.00 / day
Customers needing electrical service greater than 20 amp will need to contact Waco Convention Center for availability & cost.	
Extension cords and power strips	25.00 / cord

## FREIGHT RECEIVING/STORAGE\*

\* WCC has limited on site storage.

All freight shipments should be sent through decorator service or other freight contractor. Freight received at the WCC will be charged according to listed prices.

Bulk storage	75.00 / pallet
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## WATER CONNECTIONS

Initial connection	100.00
Water connections only available in certain locations	

## FOOD AND BEVERAGE SERVICES

Catering Fee	15 %
* Fee is charged to the Outside Caterer; all Outside Caterers must sign an agreement explaining rules and requirements.	
Food, and Beverages and Bars	Prices Negotiated
* Waco Convention Center is the exclusive provider of beer, wine and liquor services.	

# PROPOSAL FOR EMBEDDED SERVICES HUMAN RESOURCES EMBEDDED SERVICES AND PRODUCTS

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MCLENNAN COUNTY APPRAISAL DISTRICT

July 2020

This proposal is valid until October 12, 2020

**Strategic** Government Resources

P.O. Box 1642, Keller, Texas 76244  
Office: 817-337-8581

Ron Holifield, CEO  
Ron Holifield Cell: 214-676-1691  
[Ron@GovernmentResource.com](mailto:Ron@GovernmentResource.com)

Wendle Medford, Senior Managing Director of  
Interim Services and Consulting  
[Wendlemedford@GovernmentResource.com](mailto:Wendlemedford@GovernmentResource.com)







July 13, 2020

Mr. Joe Bob Bobbitt, Chief Appraiser  
McLennan County Appraisal District  
[JBobbitt@mclennanCAD.org](mailto:JBobbitt@mclennanCAD.org)

Dear Mr. Bobbitt:

Thank you for the opportunity to submit this proposal to assist McLennan County Appraisal District with Human Resources services and products for your organization. We are excited about the opportunity to work with you again.

Our relationship with our Embedded Services clients is unique. Our goal is to integrate into your organization for a long-term collaboration that allows us to understand your culture, goals, and, most important, your employees. Our experience in conducting your HR Assessment provides us with an understanding of the needs and opportunities to assist you with moving the organization forward and providing support for your core functions.

No other firm can touch our reputation for being trusted by our clients. We are excited about the prospect of partnering with McLennan County Appraisal District, and we are available to visit in person with you at your convenience.

Respectfully Submitted,

Ron Holifield, CEO  
Strategic Government Resources  
[Ron@GovernmentResource.com](mailto:Ron@GovernmentResource.com)  
Cell: 214-676-1691

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**TAB 1**

## COMPANY PROFILE AND UNIQUE QUALIFICATIONS

### Background

Strategic Government Resources, Inc. (SGR) was incorporated in Texas in 1999 and is fully owned by former City Manager Ron Holifield. Ron spent two high-profile decades in city management, which included service as City Manager in several cities. He founded SGR for the express purpose of helping local governments be more successful by recruiting, assessing, and developing innovative, collaborative, authentic leaders. We specialize in executive recruitment, live training, online training, leadership development, assessments, consulting, and various other services geared to promote innovation in local governments.

### Mission & Core Values

SGR's mission is to facilitate innovative leadership in local government. The simple fact is that in today's world of limited resources, local governments must innovate to survive. SGR has been, and continues to be, a leader in spurring innovation in local government.

SGR's core values are:

- Customer Service
- Integrity; Philanthropy
- Continuous Improvement
- Flexibility
- The Golden Rule
- Collaboration
- Protecting Relationships.

### Office Locations

SGR's corporate headquarters is in **Keller, Texas, in the Dallas/Fort Worth Metroplex**. SGR also has virtual offices in:

<b>Arizona</b> Phoenix	<b>Missouri</b> Gladstone	<b>Texas</b> Abilene Arlington Coppell Corpus Christi Forney Granbury Greenville Lubbock Murchison	<b>Texas (cont'd)</b> Sugar Land Tyler
<b>Florida</b> Kissimmee Lakeland	<b>Nevada</b> Las Vegas		
<b>Georgia</b> Savannah	<b>North Carolina</b> Mooresville		
<b>Massachusetts</b> Boston	<b>Oklahoma</b> Stillwater	North Richland Hills Richardson	

## **Consulting and Partner Services Team**

- Ron Holifield, Chief Executive Officer
- Jennifer Fadden, President of Executive Recruitment and Interim Services
- Wendle Medford, Senior Managing Director of Interim Services and Consulting
- Melissa Valentine, Managing Director of Recruitment and Human Resources
- Leigh Corson, Director of Consulting and Embedded Services
- Sherry Green, HR Generalist
- Muriel Call, Research Manager
- Andra Henson, Research Specialist

For a full list of SGR team members, please visit: [www.governmentresource.com/SGR team](http://www.governmentresource.com/SGR_team).

## UNIQUE QUALIFICATIONS

### What is SGR's Embedded Services?

Our Partner Services clients differ from routine consulting projects in that these projects are long-term in nature and involve turnkey products from assessment to implementation. We do not present a report filled with generic recommendations and leave. We are invested in your organization and committed to implementing solutions that fit your organizational goals and values.

Our role is to tailor our approach based on understanding your organization's unique culture and environment. SGR devotes tremendous energy to actively listening to you and helping you define and articulate your needs, devise customized solutions and implement the solutions as efficiently and seamlessly as possible.

### The Network

SGR maintains one of the most extensive networks of local government professionals in the nation. SGR has years of experience in local government and a national network of relationships. SGR team members are active on a national level, in both local government organizations and professional associations. Many SGR team members frequently speak and write on issues of interest to local government executives.

- SGR is a full-service firm, specializing in executive recruitment, live training, online training, leadership development, interim management, assessments, strategic visioning, consulting, and other services designed to promote innovation in local governments
- SGR has **over 50,000** email subscribers to our weekly "10 in 10 Update on Leadership and Innovation" e-newsletter.
- SGR has formal collaborative partnerships with:
  - League of Women in Government (LWG)
  - Florida City and County Management Association (FCCMA)
  - Louisiana Municipal Association (LMA)
  - Missouri Municipal League (MML)
  - Oklahoma Municipal League (OML)
  - City Management Association of Oklahoma (CMAO)
  - National Public Employers Labor Relations Association (NPELRA)
  - Texas Fire Chiefs Association (TFCA)
- SGR conducts over 320 live training classes each year on average, and we currently serve over 23,000 local government employees in our Learning Management System (LMS).

- SGR has 544 local government clients in 47 states for our recruitment, training, and leadership development business lines combined.

### **Accessibility**

Your Partner Services project will be managed by Wendle Medford , Senior Managing Director of Interim Services and Consulting. Wendle is accessible at all times throughout the process and can be reached on cell phone, or via email.

When a problem arises or you have questions, you can count on SGR staff to be available, to be prepared, and to respond promptly.

### **Superior Experience and Track Record**

SGR has a reputation for excellence. Many of our clients have used our services for multiple projects and key positions, reflecting the high quality of our work and the long-term nature of our relationships.

### **Practicing the Golden Rule**

Because of our years of experience in local government, SGR understands your culture. We believe in the Golden Rule as a matter of philosophy, but SGR is also able to practice the Golden Rule as a matter of experience.

### **Equal Opportunity Commitment**

SGR strongly believes in equal opportunity. SGR does not discriminate and believes that equal opportunity is an ethical issue. SGR quite simply will not enter into an engagement with an entity or organization that directs, or expects, that bias should, or will be, demonstrated on any basis other than those factors that have a bearing on the ability of the candidate to do the job

**TAB 2**



## **Key Personnel for this Project**

### **Leigh Corson, Director of Consulting and Embedded Services**

Leigh Corson joined SGR in July 2017 as Talent Research Manager and is now Executive Recruitment Manager. Prior to joining SGR, she worked for the City of Forney as Director of Human Resources, Director of Administrative Services, and Assistant City Manager. She began her public service career over 20 years ago in Big Spring beginning as Grants Coordinator before moving to the City Manager's office and then serving as Director of Administrative Services.

Leigh has extensive and varied municipal human resources experience having overseen the Human Resources function in the City of Big Spring and serving as the first Director of Human Resources for the City of Forney. This involved building the department from the ground up during a time of rapid growth for the organization. With SGR, she has served as the lead for several Human Resource consulting projects and is currently providing Strategic Human Resource Leadership services for the City of Fate as part of SGR's Partner Services.

Leigh earned a B.A. in International Relations from Southwestern University and M.P.A from Texas Tech University.

### **Wendle Medford, Senior Managing Director – Interim Services and Consulting**

Wendle Medford has more than 20 years of municipal leadership experience as a business partner and community visionary. His most recent post was as Assistant City Manager in Forney, Texas, where he also served a stint as acting city manager. Wendle holds Bachelor in Business Administration and Master of Public Administration degrees and is a U.S. Air Force veteran having earned the Distinguished Graduate designation. In addition, he is a Certified Public Manager and a Certified Government Chief Information Officer. He is also a graduate of Leadership North Texas.

Medford has served on various leadership development, total quality management (TQM) and customer service advisory teams during both military and civilian careers. He is a former Remington College advisory board member and served as a member of the Dallas Interface Technology Advisory Council.

Wendle has experience in directing and supervising business operations for the City of Forney, developing and implementing technological advancements for the Cities of Murphy, Hurst, and Dallas and developing and facilitating training programs for the city of Dallas. He is a results-oriented leader with a unique combination of strong business acumen and technical expertise. He has a reputation for using a consultative, holistic approach toward the advancement of public services by applying advanced technology, providing transparency, and refining business processes.

# LEIGH CORSON

Forney, TX 75126

**SUMMARY** | Dedicated public administrator with over 20 years of municipal experience that focused on implementing strategic visions that improved service delivery and quality of life for current citizens and future generations.

## **SKILLS & ABILITIES**

Experience in managing multiple projects and priorities

Ability to work independently with minimal supervision

Problem solver with the ability to grasp complex issues and turn them into manageable tasks

Broad knowledge of human resource functions

Strong financial and budget management skills

## **EXPERIENCE** | **DIRECTOR OF CONSULTING AND EMBEDDED SERVICES SGR** **EXECUTIVE RECRUITMENT MANAGER** **MANAGER OF INTERIM SERVICES AND CONSULTING** **TALENT RESEARCH MANAGER**

JULY 2017-PRESENT

- Provide Strategic Human Resource Leadership for Embedded Service clients.
- Act as lead consultant on Human Resources consulting projects including department evaluations, compensation and staffing studies, personnel policy revisions and drafting job descriptions.
- Prepare proposals and contracts as required; prepares management reports as required.
- Assist with project proposals and media searches for executive searches

## **INTERIM DIRECTOR OF HUMAN RESOURCES** CITY OF ATHENS JANUARY 2017-MAY 2017

- Contract position through Strategic Government Resources (SGR) responsible for oversight of all Human Resources functions including benefits administration, policy development/implementation, recruitment, training, workers' compensation, employee relations, and civil service administration.
- Responsible for special projects including updating the personnel policies, development of a Request for Proposals (RFP) for a compensation study and revising the performance evaluation instrument.

**ASSISTANT CITY MANAGER CITY OF FORNEY**  
MAY 2015-NOVEMBER 2016

- Oversaw Finance, Information Technology, Human Resources, Community Development and Public Works Departments.
- Responsible for operating budget development and management as well as CIP program funding and management.
- Assisted with strategic plan objective implementation including management of the street reconstruction/rehabilitation program, negotiation of residential and retail development agreements, negotiation for industrial water and sewer rate agreement with a major employer and implementation of an IT Master Plan.

**DIRECTOR OF ADMINISTRATIVE SERVICES CITY OF FORNEY**  
JUNE 2012-MAY 2015

- Oversaw Finance, Human Resources, Utility Billing, Municipal Court and General Administration Departments.
- Developed and implemented a comprehensive compensation study.
- Responsible for annual budget preparation including revenue and expenditure forecasts and development of the capital improvements plan and financing.
- Managed the process for debt refinancing and the issuance of Certificates of Obligation.
- Served as Investment Officer.
- Assisted with implementation of alternative financing tools such as Tax Increment Financing and Public Improvement Districts.
- Coordinated process for development of a new City website.

**DIRECTOR OF HUMAN RESOURCES CITY OF FORNEY**  
JUNE 2006-JUNE 2012

- This was a new department serving approximately 75 FTEs at inception (currently serves 135 FTEs – 48% growth)
- Responsible for payroll and benefits administration, policy development/implementation, recruitment, training, workers' compensation, employee relations, internal investigation and disciplinary issues.
- Developed and implemented a 3-tier health insurance benefit plan in conjunction with the City's broker.
- Developed salary and benefits projections for the organization.
- Implemented the "Forney University" program to develop leadership skills and organizational understanding throughout the organization.

**DIRECTOR OF ADMINISTRATIVE SERVICES CITY OF BIG SPRING**  
DECEMBER 2001-JUNE 2006

- Oversaw Human Resource and Fleet Maintenance Departments as well as general administrative staff.

- Responsible for payroll and benefits administration for 265 FTEs, policy development/implementation, recruitment, training, workers' compensation, employee relations, internal investigation and disciplinary issues.
- Oversaw and implemented a comprehensive compensation study.
- Served as Civil Service Director with responsibility for testing and compliance with state law.

**ASSISTANT TO THE CITY MANAGER** CITY OF BIG SPRING  
1998-2001

**GRANT ADMINISTRATOR** CITY OF BIG SPRING  
1997-1998

**GRANT ADMINISTRATOR** BIG SPRING ECONOMIC DEVELOPMENT  
1995-1997

**EDUCATION** | **TEXAS TECH UNIVERSITY, LUBBOCK, TX**  
MASTER OF PUBLIC ADMINISTRATION  
Pi Alpha Alpha Honor Society

**SOUTHWESTERN UNIVERSITY, GEORGETOWN, TX**  
BACHELOR OF ARTS: INTERNATIONAL RELATIONS

**PROFESSIONAL AFFILIATIONS AND TRAINING** | Currently studying to sit for SHRM-SCP exam  
William "King" Cole Effective Government Local Government Series  
Government Finance Officers Association of Texas  
Texas Municipal Human Resources Association  
Society for Human Resources Management  
Texas Municipal Retirement System Certified Benefits Administrator  
Leadership Kaufman County  
Leadership Big Spring

# WENDLE MEDFORD, MPA, CPM, CGCIO

Dallas/Ft. Worth, TX

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## CITY MANAGEMENT EXECUTIVE

A servant leader with a passion for connecting with community leaders, citizens and city employees to enhance services and resolve issues. Starting with a vision, pushes information out to citizens and collaborates in developing solutions. Uses disciplined methodology for achieving results and managing projects. Known for ability to lead the transformation of growing cities, incorporating 21<sup>st</sup> century technology to collect and analyze data, streamline workflow and improve processes. A handworker who leads by example with an approachable leadership style.

### Innovative Strategies for Growth – City Transformation

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#### STRATEGIC GOVERNMENT RESOURCES

2019 - present

*SGR exists to help local governments be more successful by Recruiting, Assessing, and Developing Innovative, Collaborative, Authentic Leaders. Specialize in executive recruitment, interim management, live training, online training, leadership development, assessments, consulting, and various other services geared to promote innovation in local governments.*

#### Senior Managing Director of Interim Services and Consulting

Reporting to the President of Executive Recruitment and Interim Services, the Senior Managing Director of Interim Services and Consulting is responsible for leading the interim management services division for administrative positions and the management consulting business line.

#### CITY OF FORNEY, TX

2017 – 2019

*Just east of Dallas, TX, the fastest growing community in Kaufman County with a population of 20,000. With a rapid increase in economic development to match the rise in population, business development projects, retail expansion and new school district facilities highlight the city's growth. Council-manager form of government. ([www.cityofforney.org](http://www.cityofforney.org))*

***Instrumental in the initial phases of moving a rural community to a high-growth suburb with a focus on customer service, infrastructure planning and maintaining growth momentum***

#### Assistant City Manager

***Appointed as Interim City Manager during September 2017 to August 2018 following resignation of City Manager while nationwide search was conducted.***

*As Assistant City Manager, managed a budget of \$17 million and oversaw 161 employees in multiple departments to ensure completion of goals and objectives established by the City Manager, compliance with operating and capital budgets and resolution of problems or conflicts in the organization. Responsibilities include overseeing department workflows, preparing activity reports and agenda material for the City Council, supervises key projects, participates in budget development and management, implements and manages outreach and publicity events and participates in long-range planning.*

*As Interim City Manager, directed all operations of the City of Forney, including department performance, policy implementation and operating / long-range plan development. Provided advice to Mayor and City Council.*

#### Key Projects

##### *Community & Economic Development*

- Oversaw Forney's Downtown Enhancement Project
- Instrumental in increasing city's tax base by adding new commercial and residential development to 2,000-acre master plan mixed use development
- Implemented responsible growth management plan allowing the city to acquire undeveloped tracts of land and expand ETJ boundaries to allow for future growth
- Instrumental role in facilitating the addition of new single-family and multi-family development

##### *Government Operations*

- Received FEMA grant for Fire Department Air Packs
- Received FEMA Safer grant for partial salary and benefits for 6 additional fire fighters

- Implemented Internet safe exchange zone
- Implemented employee compensation plan resulting in competitive pay for general government employees and public safety forces

**CITY OF MURPHY, TX****2010 – 2017**

*One of the fastest growing communities in North Texas with a population of 20,000. (www.murphytx.org)*

***Instrumental in transforming public service delivery by providing state-of-the-art technology  
Received the City Manager's Leadership & Excellence Award***

**Director of Innovation & Technology (2013 – 2017)**

**Director of Technology (2010 – 2017)**

Reporting to the City Manager, responsible for budget of \$1.5 million and oversaw a team of 8 employees in developing, securing, enhancing, maintaining and supporting infrastructure products and technical systems citywide including GIS, water, wastewater, SCADA, payroll, public safety, fire and polity systems requiring 24/7/ support. Supported 911 call center technology and served as public spokesperson for any system failures. Also worked with all city departments' "innovation think tanks" in identifying opportunities to use technology to enhance city processes and public services.

**Key Projects***Citywide*

- Developed the city's 1<sup>st</sup> 5-year IT strategic plan
- Drafted the city's 1<sup>st</sup> public communications guide
- Construction Projects: Murphy Activity Center, Murphy Animal Shelter

*Internal Technology-Driven Improvements*

- Assisted with implementation of NEOGROV HR application
- Implemented the Cartegraph Operations Management System
- Replaced legacy physical access control and CCTV system
- Implemented wireless network infrastructure for city-wide wireless utility meter reading system
- Implemented video streaming solution to allow online broadcasting of city meetings
- Managed and architected joint fiber optic project with the Plano Independent School District
- Designed telecom, AV, video surveillance and physical access control system for all city campuses

**CITY OF DALLAS, TX****2009 – 2010**

*9<sup>th</sup> largest city in the U.S. and 3<sup>rd</sup> largest in Texas with population of more than 1 million.*

**IT Analyst**

Responsible for maintenance, support and repair of computer software/hardware and LAN systems. Focused on supporting the Dallas City Attorney's Office and the Dallas Community Courts.

**CITY OF HURST, TX****1998 – 2008**

*North Texas suburb with a population of 35,000 at that time. Early adopter of many management best practices.*

**Senior IS Analyst (2002 – 2008) | Network Specialist (1999 – 2002) | Network Technician (1998 – 1999)**

Reporting directly to IS Director, responsible for development, implementation and management of technical plans for the maintenance, up-grade and repair of 350 workstations throughout WAN serving 13 city campuses.

Served on several committees including Customer Service Advisory Team, Community Relations Committee, and Leadership & Succession Planning Task Force. Chaired Hurst United Way Campaign in 2003 – 2004.

**UNITED STATES AIR FORCE RESERVES, (Distinguished Graduate)****1997 – 2009****EDUCATION & CERTIFICATIONS**

**Master of Public Administration (MPA), University of Texas at Arlington**

**BBA, LeTourneau University**

Texas Certified Public Manager (CPM)

Certified Government Chief Information Officer (CGCIO)

Texas Credentialed Mediator

**PROFESSIONAL AFFILIATIONS**

International City Managers Association | Texas City Managers Association

Leadership North Texas, North Texas Commission

**TAB 3**

## Project Methodology

### Overview

SGR believes that the role of Human Resources (HR) goes beyond the traditional functions of recruitment, pay benefits, policies, etc. Human Resources should be a force for change in an organization centered on helping organizations to evolve, bring their values to life and move forward.

Building on the recommendations in the HR Assessment completed earlier this year, strategic HR Leadership will work with District management to develop a 12-18-month work plan for the HR function. The workplan will be customized to reflect District priorities, organizational culture, work cycles, growth needs. It is important that the work plan support measured change that is sustainable and that does not negatively disrupt organizational culture.

Following the work plan development, the HR Leadership will implement the projects and initiatives detailed in the plan. The HR Leadership will also be available to make recommendations and assist with other HR issues that may develop in the course of normal business.

The HR Leadership function can be performed with a combination of onsite and offsite work hours. During the ongoing COVID pandemic, SGR can provide virtual alternatives in lieu of an onsite presence. SGR will work with District management to determine the safest and most effective way to deliver services. SGR will provide this work for an average of sixteen (16) onsite hours and sixteen (16) offsite hours monthly. The average number of hours and the mix of onsite/offsite hours may be negotiated.

SGR also offers a variety of supplemental services and products that can complement the work plan initiatives. These would be provided only with approval by the District. The supplemental services include:

- Employee Performance System Development
- Organizational Training and Development Program Establishment
- Live Training
- Online Training Library Access
- SGR Job Board Annual Subscription
- Digital Talent Marketing Package
- Recruitment Marketing Materials
- Individual and/or Team Coaching
- Comprehensive Media Reports



- Comprehensive Background Investigation Reports
- DiSC Assessments
- I-OPT Team Building Reports

**TAB 4**

## Project Cost

This proposal is valid until October 12, 2020

SGR will provide ongoing HR Leadership Services and Products in support of the organization's needs, HR assessment recommendations and established HR Workplan.

**Professional Services Fee Strategic Human Resources Leadership** **\$ 2,400 per month**  
(Based on average 16 hours per month onsite and average 16 hours per month offsite; additional hours provided at \$75/hour with pre-approval from the District.)

### Supplemental Services/Products available based on pre-approval from the District:

**Employee Performance System Development** **\$ 5,000 flat fee**

**Organizational Training and Development Program Establishment** **\$ 5,000 flat fee**

**Live Training** **\$ 10,000 per year**  
(Based on four live trainings per year)

**Online Training Library Access** **Varies**  
(SGR offers several online learning options including access to the Servant Leadership Library, Pay-for-View and Subscription)

**SGR Job Board Annual Subscription** **\$ 349 per year**

**Digital Talent Marketing Package** **\$ 399 each**

**Recruitment Marketing Materials** **\$ 1,000 flat fee**

**Travel Expenses:** **TBD**

**Individual and/or Team Coaching** **Varies**  
(Proposals may be developed to address each situation)

**Comprehensive Media Reports** **\$ 500 each**

**Comprehensive Background Investigation Reports** **\$ 400 each**

**DiSC Assessments** **\$ 150 each**

**I-OPT Team Building Reports** **\$ 150 each**

**Additional Cost Information:**

- Travel expenses for a on-site visit(s) will be billed as follows: Meals are billed at a per diem rate of \$10 for breakfast, \$15 for lunch, and \$25 for dinner. Mileage will be reimbursed at the current IRS rate. All other travel-related expenses are billed back at actual cost, with no markup for overhead.
- Costs for contract renewals after the initial 12-month period shall increase in direct proportion to the District's budget for salary and benefit increases for the District's own direct employees, and all other products and services shall be provided to the District at SGR's current rates in effect at the first day of the renewed contract.
- Certain services such as Performance Management System Development, Organizational Training and Development Program Establishment and Recruitment Material Development are one-time costs.

**Billing**

The professional fee and other services requested will be billed monthly. Expense items will be billed with each installment, as appropriate. Invoices are due within fourteen (14) days of receipt.

**TAB 5**

## References

Michael Kovacs, City Manager  
City of Fate, Texas (pop. 6,500)  
Email: [mkovacs@cityoffate.com](mailto:mkovacs@cityoffate.com)  
Phone: 972-771-4601

Gina Nash, City Manager  
City of Sachse, Texas (pop. 25,000)  
Email: [gnash@cityofsachse.com](mailto:gnash@cityofsachse.com)  
Phone: 469-429-4770

Brian Brooks, Process Improvement Advisor  
North Texas Municipal Water District  
Email: [bbrooks@ntmwd.com](mailto:bbrooks@ntmwd.com)  
Phone: 469-626-4336

Bill Lindley, Town Administrator  
Town of Highland Park, Texas (pop. 8,800)  
Email: [WHLindley@hptx.org](mailto:WHLindley@hptx.org)  
Phone: 214-559-9444

Passion Hayes, Director of Human Resources  
Town of Addison, Texas (pop. 15,400)  
Email: [phayes@addisontx.gov](mailto:phayes@addisontx.gov)  
Phone: 972-450-7000

**TAB 6**

## **Embedded Services, Interim Management & Management Consulting Services Clients and Positions/Projects**

### **Clients**

Aransas County, Texas  
City of Addison, Texas  
City of Amarillo, Texas  
City of Angleton, Texas  
City of Anna, Texas  
City of Athens, Texas  
City of Bastrop, Texas  
City of Bedford, Texas  
City of Bridgeport, Texas  
City of Broken Arrow, Oklahoma  
City of Burkburnett, Texas  
City of Burlison, Texas  
City of Cameron, Missouri  
City of Carrollton, Texas  
City of Castroville, Texas  
City of Cedar Park, Texas  
City of Celina, Texas  
City of Cleburne, Texas  
City of Colleyville, Texas  
City of Denison, Texas  
City of DeSoto, Texas  
City of Dickenson, Texas  
Town of Double Oak, Texas  
City of Dripping Springs, Texas  
City of Dumas, Texas  
City of El Reno, Oklahoma  
City of Ennis, Texas  
City of Eugene, Oregon  
City of Fairview, Texas  
City of Fate, Texas  
City of Forney, Texas  
City of Fort Worth, Texas  
City of Fort Smith, Arkansas  
City of Freeport, Texas  
City of Garland, Texas  
City of Georgetown, Texas  
City of Glenn Heights, Texas  
City of Gonzales, Texas  
Green Valley Special Utility District  
City of Greenville, Texas  
City of Heath, Texas  
Town of Highland Park, Texas  
City of Hutton, Texas  
City of Irving, Texas  
City of Joshua, Texas  
City of Keene, Texas  
City of Kemah, Texas  
City of Keller, Texas  
City of Kilgore, Texas  
City of Lancaster, Texas  
City of Levelland, Texas  
City of Lexington, Texas  
City of Lubbock, Texas  
McLennan County Appraisal District  
City of McKinney, Texas  
City of Miami, Oklahoma  
City of Mineral Wells, Texas  
City of Missouri City, Texas  
City of Montgomery, Texas  
City of Mount Pleasant, Texas  
City of Murphy, Texas  
City of New Braunfels, Texas  
City of Nacogdoches, Texas  
City of North Richland Hills, Texas  
North Texas Municipal Water District  
City of Oak Point, Texas  
City of O'Fallon, Missouri  
City of Palestine, Texas  
City of Parkville, Missouri  
City of Pecos, Texas  
City of Pflugerville, Texas  
City of Pilot Point, Texas  
City of Plainview, Texas  
City of Port Arthur, Texas  
City of Princeton, Texas  
Town of Providence Village  
City of Quinlan, Texas  
City of Richwood, Texas  
City of Rockport, Texas  
City of Round Rock, Texas  
City of Roswell, New Mexico  
City of Rowlett, Texas  
City of Sachse, Texas  
City of Saginaw, Texas



City of San Marcos, Texas  
City of Seagoville, Texas  
City of Sherman, Texas  
City of South Padre Island, Texas  
City of Southlake, Texas  
City of Stephenville, Texas  
City of Sunnyvale, Texas  
City of Taylor, Texas

Town of Trophy Club, Texas  
City of Wilmer, Texas  
City of Winnsboro, Texas  
City of Weatherford, Texas  
The Woodlands Township  
Lee County, Florida  
Parker County, Texas

### **Positions/Projects**

City Manager  
City Administrator  
Administration Director  
Assistant City Manager  
Assistant to the City Manager  
Assistant Community Services Director  
Assistant Finance Director  
Building Official  
Capital Projects Manager  
Chief Building Official  
Chief Financial Officer  
Chief Information Officer  
City Engineer  
City Secretary  
Community Development Director  
Controller  
CVB Director  
Department of Public Safety IA Consulting  
Development Director  
Disaster Recovery Specialist  
Economic Development Director

Field Operations Superintendent  
Finance Director  
Fire Chief  
Fire Marshal  
Fixed Based Operations Director  
Human Resources Director  
Information Technology Director  
Municipal Court Administrator  
Parks Construction Manager  
Planning/Community Development Director  
Planning Manager  
Police Chief  
Police Director  
Public Information Officer/Webmaster  
Public Works Director  
Purchasing Manager  
Risk Manager  
Senior Contract Compliance Specialist  
Street and Stormwater Director  
Utility Billing Manager

### **Embedded Services Projects**

Human Resources Staffing  
Human Resources Assessments  
Website Development and Management  
City Secretary Services  
Project Management Services

## **Management Consulting Projects**

Animal Services Study

Containerized Solid Waste Study

Disaster Recovery Consulting

Finance Consulting

Human Resources Consulting

Internal Affairs Consulting

Job Board Management

Job Description Development

Market Competitive Analysis

Municipal Court Surveys

Procurement Templates

Public Safety Department Assessments

Procurement Training

Salary and Benefit Surveys

# Chief Appraiser Updates

April 16, 2020

## **APPRAISAL:**

- Hearings halted at WISD on July 17<sup>th</sup>
- Roll at 81% as of January 25<sup>th</sup>
- Submitted certified estimates to entities
- Hearings resume August 10<sup>th</sup> at Waco Convention Center

## **ARB:**

- ARB hearings start May 20<sup>th</sup>
- AG opinion on teleconferences may require external site or prolonged ARB process
- ARB training and organizational meeting conducted Monday, May 11<sup>th</sup>

## **ARBITRATION:**

- 62 arbitrations filed for 2019. Of the 62, 3 are active, 45 have been settled, 5 won, and 9 lost

## **LAWSUITS:**

- 85 cases pending in April
- 51 Cases currently Pending

## **TRAINING AND EDUCATION:**

## **FORMAL OPEN RECORDS REQUESTS:**

- 2020-22

## **BUILDING/FACILITIES:**

- Exterior Lobby is open for drop box, public access terminal, and copy machine

## **MISCELLANEOUS:**

- TCDRS 415 agreement