

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 February 11, 2021, 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.

Members of the public who wish to submit comments on an agenda item or speak during a public hearing item must sign up by emailing name and address to ca@mclennanappraisal.org or by leaving a message at 254-752-9867 before 08:00 AM on February 11, 2021. Each speaker will have three minutes to speak. Timely submitted comments will be heard at the start of the meeting.

I hereby certify that such notice was posted by 9:00 A.M. February 8, 2021, at McLennan County Appraisal District and on the website at <http://www.mclennanappraisal.org/Announcements> in accordance with govt code 551.05.



JOE DON BOBBITT
CHIEF APPRAISER

BOARD OF DIRECTORS VIDEO CONFERENCE MEETING
FEBRUARY 11, 2021 9:00 A.M.
MCLENNAN COUNTY APPRAISAL DISTRICT
315 S. 26TH STREET, WACO, TX 76710

Agenda

Meeting Called To Order

Public Comment

Business Session

Items Requiring Board Action

1. Board to elect Chairman and Secretary
2. Minutes of December 8, 2020 meeting
3. Chief Appraiser evaluation
4. Adopt or modify annual investment policy
5. Approve amended contract with Capital Appraisal Group for appraisal of industrial properties
6. Consider purchase of TREPP report on declining market due to COVID
7. Consider appointing alternate Taxpayer Liaison Officer

Discussion Items

8. Financial statements
9. Update on HR plan with Strategic Government Resources
10. Property Value Study results

Management And Committee Reports

11. 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) **BANK OF THE WEST/EQUIPMENT DEPOT**

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

12. Set agenda items, and next meeting date/time
 - a. April – Draft Budget, BOD Policy, Employee Handbook
13. Adjournment

Videoconference Info

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

or by phone +1 (872) 240-3212, Access Code: 464-795-957

McLENNAN COUNTY APPRAISAL DISTRICT
BOARD OF DIRECTORS MEETING
December 8, 2020 9:00 A.M.
McLennan County Appraisal District
315 S. 26th St.
Waco, TX 76710

The Board of Directors of the McLennan County Appraisal District (BOD) met at 9:00 a.m. on Tuesday December 8, 2020, via video conference. The notice of such meeting was duly posted by 5:00 p.m., December 4, 2020.

The members present for the video conference meeting were: Mr. John Kinnaird, Mrs. Mildred Watkins, Mr. Tom Pagel and Mr. Ben Perry. Also present at the meeting were Mr. Joe Don Bobbitt, Mr. Robert Meyers Mr. Matthew Tepper, Mr. Peter Rusek and Mrs. Lisa Gonzalez. Mr. Allen Sykes and Mr. Randy Riggs were not present.

John Kinnaird called the meeting to order at 9:01 a.m.

Public Comment: None

Business Session

Items Requiring Board Action

1. Minutes of November 17, 2020 Meeting: Approved as submitted.
2. Consider authorizing Chief Appraiser to enter into an Interlocal Agreement with City of Waco for use of Waco Convention Center: Joe Don Bobbitt presented that this agreement is for 4 days to finish the final appraisal review board hearings. The cost is \$ 1,340.00. The board discussed. Mildred Watkins motioned to approve the authorization of Chief Appraiser to enter in to the interlocal agreement with the City of Waco for use of Waco Convention Center. Tom Pagel seconded. No opposition. Motion passed.

Executive Session: The board went into Executive session at 9:05 a.m. Executive session adjourned at 9:15 a.m.

There is no other business to come before the Board; the meeting adjourned at 9:16 a.m.

Allen Sykes, Secretary

MCLENNAN COUNTY APPRAISAL DISTRICT CHIEF APPRAISER PERFORMANCE EVALUATION REPORT

Chief Appraiser: Joe Don Bobbitt
Initial Date of Employment: June 6, 2011
Date of Employment as Chief Appraiser: May 14, 2020

PURPOSE

The Board of Directors of the McLennan County Appraisal District has established this annual evaluation and development program for the Chief Appraiser. The goal of the report is to communicate the expectations of the Board and ensure that the Chief Appraiser continues to maintain and enhance knowledge of mass appraisal, management, leadership, and the skills required to be an effective administrator. The Chief Appraiser coordinates and implements the goals and objectives established by Board policy, provisions of the Texas Property Tax Code and other applicable laws and rules. The Chief Appraiser's responsibilities include numerous statutory responsibilities related to the development of accurate appraisal rolls and the administration of the District.

RATING SCALE

5 – OUTSTANDING ACHIEVEMENT OF JOB DUTY: Performs at an exceptional level. Work is of the highest quality; "self-starter"; striving for new knowledge and ideas; makes superior judgments with regard to work, staff and public.

4 – EXCEEDS JOB STANDARDS: Minimum of supervision is required; employee is innovative; demonstrates ability to handle the more complex aspects of the position in the best interests of the district.

3 – MEETS JOB STANDARDS: Assignments are completed in a timely manner, meets expectations and performance is at a satisfactory level.

2 – BELOW JOB STANDARDS: Performs the routine elements of the position; requires continual supervision to assure the timeliness, quantity, and quality of the position; individual needs to improve job performance.

1 – DOES NOT MEET MINIMUM STANDARDS: Performance falls far short of position expectations; immediate improvement is needed.

JOB RESPONSIBILITY SURVEY

Please mark the survey below with an appropriate number which you think is represented in the work performed.

_____ 1) Delegates, at his discretion, to appraisal district personnel duties and authority with the knowledge that such does not relieve the chief appraiser of the final responsibility for the action taken under such delegation.

_____ 2) Accepts responsibility for the general efficiency of the appraisal district, for the development and overall welfare of the appraisal district staff.

_____ 3) Conducts annual performance evaluation of appraisal district staff and grants salary adjustments deemed appropriate within budget constraints.

_____ 4) Conducts periodic reviews and analysis of personnel work efforts and products to determine achievement of established objectives, standards and deadlines.

_____ 5) Assumes responsibility for the use and care of appraisal district facility.

_____ 6) Makes sound decisions and exhibits good judgment.

- _____ 7) Keeps abreast of the latest trends in the appraisal field and changes in the law by attending educational seminars and conferences, and by providing training opportunities for appraisal district staff responsible for carrying out those duties.
- _____ 8) Maintains a positive and productive working relationship with the board of directors and/or taxing entities.
- _____ 9) Attends and effectively participates in all meetings of the Board of Directors.
- _____ 10) Reports to the Board and/or entities such matters as deemed necessary to the understanding and proper management of the appraisal district, or as the Board or entities may request.
- _____ 11) Carries out the personnel guidelines established by the Board and advises them of needed changes or revisions.
- _____ 12) Develops and effectively implements a bi-annual comprehensive Reappraisal.
- _____ 13) Assumes responsibility for the overall financial planning of the annual budget recommendations and submits to the Board and entities for review and approval.
- _____ 14) Establishes and maintains efficient procedures and effective controls for expenditures of appraisal district funds in accordance with the adopted budget.
- _____ 15) Provides adequate information to the Board on all financial matters.
- _____ 16) Displays effective personal leadership attributes.
- _____ 17) Maintains an effective and professional relationship with the public and news media.

PERSONAL CHARACTERISTICS

- _____ 18) Seeks and accepts constructive criticism of his work.
- _____ 19) Defends principles and convictions in face of pressure and partisan influence in a professional manner.
- _____ 20) Expresses himself well when working with the Board and/or taxing entities.
- _____ 21) Thinks well on his feet when difficult situations occur.
- _____ 22) Understands people and is quick to respond to their desires.
- _____ 23) Promotes high professional standards for all appraisal district employees by his actions.
- _____ 24) Supports board policies that run contrary to his personal recommendations.
- _____ 25) Conducts all official business with the Board as a whole and not with portions of the Board or individual members.

MCLENNAN COUNTY APPRAISAL DISTRICT INVESTMENT POLICY

It is the policy of McLennan County Appraisal District (MCAD) to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the district and conforming to all state statutes governing the investment of public funds.

1.0 Scope.

This investment policy applies to all financial assets of McLennan County Appraisal District.

2.0 Prudence.

Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

3.0 Objectives.

The primary objectives, in priority order, of McLennan County Appraisal District shall be:

SAFETY: Safety of principal is the foremost objective of the investment program.

LIQUIDITY: MCAD's investment portfolio will remain sufficiently liquid to enable MCAD to meet all operating requirements, which might be reasonably anticipated.

RETURN ON INVESTMENT: MCAD's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with MCAD's investment risk constraints and the cash flow characteristics of the portfolio.

4.0 Delegation of Authority.

Authority to manage MCAD's investment program is derived from the Public Funds Investment Act, Chapter 2256 Government Code. The duties of Investment Officer are hereby delegated to the Assistant Chief Appraiser, who shall establish written investment policies as approved by the Board of Directors. Policies should include reference to safekeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. Such policies shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Investment Officer shall consult and report to the Chief Appraiser concerning all of MCAD's investments.

The Investment Officer and any other person so authorized to invest monies of McLennan County Appraisal District are required to attend at least one training session as described in Section 2256.008 Government Code within 12 months of assuming duties.

5.0 Ethics and Conflicts of Interest.

The investment officer of MCAD who has a personal business relationship with an entity seeking to sell an investment to the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined under Chapter 573, Local Government Code, to an individual seeking to sell an investment to MCAD shall file a statement disclosing that relationship. A statement required under this section must be filed with the Texas Ethics Commission and with the Board of Directors, McLennan County Appraisal District.

6.0 Authorized and Suitable Investments.

6.1 Obligations of, or guaranteed by Government Entities.

- a. Obligations of the United States or its agencies and instrumentalities;
- b. Direct obligations of the State of Texas or its agencies and instrumentalities;
- c. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
- d. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas or the United States or their respective agencies and instrumentalities; and
- e. Obligations of state, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

6.2 Certificates of Deposit and Share Certificates.

A certificate of deposit is an authorized investment if the certificate is issued by a state or national bank domiciled in this state, a savings and loan association domiciled in this state, or a state or federal credit union domiciled in this state and is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor, is secured by obligations that are described in 6.1 above, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described in Section 2256.009(b) Government Code, or secured in any manner and amount provided by law for deposits of the investing entity.

Bids for certificates of deposit may be solicited orally, in writing, electronically, or in any combination of those methods.

6.3 Investment Pools.

An eligible investment pool that complies with the requirements of Section 2256.00 Government Code that has been specifically authorized by the Board of Directors of the McLennan County Appraisal District.

6.4 Sweep Accounts.

The board of directors of MCAD may authorize using bank sweep accounts that combine funds from various account deposits daily and invest them collectively as long as these funds are collateralized as required by law and comply with the requirements of section 2256.00 of the Government Code.

7.0 Collateralization, Safekeeping and Custody.

Collateralization will be required on certificates of deposit, at a level of 102% of market value principal and accrued interest.

All security transactions, including certificates of deposit, entered into by MCAD shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian and evidenced by a clearly marked safekeeping receipts supplied to MCAD.

An independent third party with whom MCAD has a current custodial agreement will always hold collateral. A clearly marked receipt of ownership (safekeeping receipt) must be supplied to MCAD and retained by the Investment Officer.

8.0 Diversification.

McLennan County Appraisal District will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and Certificates of Deposit no more than 60% of MCAD's investment portfolio will be invested in a single security type or with a single financial institution.

9.0 Maximum Maturities.

To the extent possible, MCAD will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, MCAD will not directly invest in securities maturing more than 12 months from the date of purchase.

10.0 Internal Management Reports.

Not less than quarterly the Investment Officer shall prepare and submit to the Board of Directors a written report of investment transactions for the current year. The report must describe in detail the investment position of the entity on the date of the report, be prepared by the investment officer of the district and be signed by the investment officer. Additionally, it must contain a summary statement of the fund that indicates the beginning market value for the reporting period, any additions and changes to the market value during the period and the ending market value for the period. The report is to state the maturity date of each separately invested asset that has a maturity date, the fund or pooled fund from which the asset was acquired and state the compliance of the investment as it relates to the investment strategy expressed in this policy.

11.0 Monitoring Rating Changes.

The Investment Officer or investment advisor shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or advisor shall notify the – CFO, Manager, governing board – of the loss of rating, conditions affecting

the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

12.0 Annual Review and Compliance Audit.

McLennan County Appraisal District is required by state statute and by this investment policy to review this investment policy and investment strategies not less than annually and to adopt a resolution or an ordinance stating the review has been completed and recording any changes made to either the policy or strategy statements. In conjunction with the annual independent audit, a compliance audit of management controls on investments and adherence to the Investment Policy and the Investment Strategy shall be performed by the district's independent auditor.

13.0 Investment Strategy.

13.1 Operating Funds

Suitability – All investments authorized in the Investment Policy are suitable for Operating Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for the pooled operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The dollar-weighted average maturity of operating funds, based on the stated final maturity date of each security, will be calculated and limited to one year or less. Constant \$1 NAV investment pools and money market mutual funds shall be an integral component in maintaining daily liquidity. Investments for these funds shall not exceed an 18-month period from date of purchase.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The District's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Operating Funds shall be the 91 day Treasury bill.

13.2 Reserve and Deposit Funds

Suitability – All investments authorized in the Investment Policy are suitable for Reserve and Deposit Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for reserve and deposit funds shall have as the primary objective the ability to generate a dependable revenue stream to the

appropriate reserve fund from investments with a low degree of volatility. Except as may be required by the bond ordinance specific to an individual issue, investments should be of high quality, with short to-intermediate-term maturities. The dollar-weighted average maturity of reserve and deposit funds, based on the stated final maturity date of each security, will be calculated and limited to three years or less. Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The District's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Reserve and Deposit Funds shall be the 91 day Treasury bill.

13.3 Bond and Certificate Capital Project Funds and Special Purpose Funds Suitability – All investments authorized in the Investment Policy are suitable for Bond and Certificate Capital Project Funds and Special Purpose Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - investment strategies for bond and certificate capital project funds, special projects and special purpose funds' portfolios will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The stated final maturity dates of investments held should not exceed the estimated project completion date or a maturity of no greater than five years. The dollar-weighted average maturity of bond and certificate capital project funds and special purpose funds~ based on the stated final maturity date of each security, will be calculated and limited to three years or less.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The District's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Bond and Certificate Capital Project Funds and Special Purpose Funds shall be the 91 day Treasury bill. A secondary objective of these funds is to achieve a yield equal to or greater than the arbitrage yield of the applicable bond or certificate.

13.4 Debt Service Funds Suitability - All investments authorized in the Investment Policy are suitable for Debt Service Funds.

Preservation and Safety of Principal - All investments shall be high quality securities with no perceived default risk.

Liquidity - Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date which exceeds the debt service payment date. The dollar-weighted average maturity of debt service funds, based on the stated final maturity date of each security, will be calculated and limited to one year or less.

Marketability - Securities with active and efficient secondary markets will be purchased in the event of an unanticipated cash requirement.

Diversification - Maturities shall be staggered throughout the budget cycle to provide cash flows based on anticipated needs. Investment risks will be reduced through diversification among authorized investments.

Yield - The District's objective is to attain a competitive market yield for comparable securities and portfolio constraints. The benchmark for Debt Service Funds shall be the 91 day Treasury bill.

Revised 11-9-2017, JDB



RECEIVED
JAN 13 2021
McLENNAN CAD

January 6, 2020

Mr. Joe Don Bobbitt, Chief Appraiser
McLennan County Appraisal District
315 S 26th Street
Waco, Texas 76710-7400

ADDENDUM TO AGREEMENT FOR APPRAISAL SERVICES

CAPITOL APPRAISAL GROUP, LLC (“Company”) and **McLENNAN COUNTY APPRAISAL DISTRICT** (“District”) are parties to an Agreement for Appraisal Services (“Agreement”) for property tax years 2020 and 2021, signed January 15th, 2020. This letter is to amend the Agreement between the Company and the District. The Addendum to Agreement will amend Fee, Paragraph 11 and Exhibit A, to reflect additional properties to be worked by the Company for the 2021 property tax year. This Addendum is entered into by Company and District as of January 1, 2021. This Addendum will be effective for the 2021 tax year. The additional fee will be paid in four equal payments, beginning January 1, and continuing on April 1, July 1, and October 1 of 2021.

The Agreement is hereby amended as follows:

- Fee, Paragraph 11 of the Agreement will be modified to include an additional fee of \$39,500 resulting in a total fee for 2021 tax year of \$65,000.
- Exhibit A will be modified to include the additional properties as listed in the attachment.

When executed, this “Addendum” will become a part of the existing Agreement for Appraisal Services currently in place between Company and District. The Addendum only adds properties to be appraised by Company for an agreed upon fee. The Agreement will control the relationship of the District and Company for properties added by the Addendum. Conflicts will be controlled by the “Agreement.”

Please sign both copies of the contracts and return one to us at your convenience in the envelope provided.

Capitol Appraisal Group, LLC

McLennan County Appraisal District



Gregg Davis, President

Chief Appraiser

1/6/2021

BOD Chairman

Date

**McLENNAN COUNTY APPRAISAL DISTRICT
ADDENDUM TO AGREEMENT FOR APPRAISAL SERVICES
APPRAISAL SERVICES FOR TAX YEAR 2021**

Exhibit A

A & M EXPERIMENT STATION
A&W ENERGY LLC
ACME BRICK COMPANY
ADECCO
ADVANCE ACCEPTANCE/ALL-LINES LEASING
ALAMO STRUCTURAL STEEL LLC
ALAMO STRUCTURAL STEEL, LLC
ALLEGHENY PETROLEUM PRODUCTS CO
ALLERGAN INC
AMERICAN VAULT CORPORATION
ARAMARK EDUCATIONAL SVS INC
BALCONES DISTILLERY, LLC
BALCONES DISTILLING LLC
BANK OF AMERICA, NA
BCT INC
BMO HARRIS EQUIPMENT FINANCE COMPANY
BOISE WHITE PAPER LLC
BOON-CHAPMAN
CAMPBELL GIRLS PARTNERSHIP
CARGILL INC
CARGILL MEAT SOLUTIONS CORP
CARGILL TURKEY PRODUCTION LLC
CHARLOTTE PIPE AND FOUNDRY COMPANY
CHASE EQUIPMENT FINANCE INC
CHEVRON PRODUCTS COMPANY
CISCO SYSTEMS CAPITAL CORP
CITY OF MCGREGOR
COCA COLA COMPANY
COMMONWEALTH INCOME & GROWTH FUND VI LP
CONNELL FINANCE CO INC
CONOCO PHILLIPS COMPANY
CORTEX MANGEMENT LLC
CROWN EQUIPMENT CORP
CSI LEASING INC.
CUNNINGHAM STEVE J & GAIL T
DAKOTA PREMIUM HARDWOODS
DC II - 700 AUSTIN AVENUE LLC
DO IT BEST CORP
ENTIN LESTER M ASSOCIATES
EPLUS GROUP INC
EUREST SERVICES, INC
F8 TECH LLC
FAIRLIFE LLC
FERGUSON ENTERPRISES INC

FLINT GROUP NORTH AMERICA CORP
FLINT HILLS RESOURCES CORPUS CHRISTI LLC
GLAZER'S BEER AND BEVERAGE OF TEXAS LLC
GLAZER'S REAL ESTATE LLC
GPT WACO OWNER LLC
GRAYBAR ELECTRICAL INC
HARDWARE WHOLESALE INC
HEART O TEXAS FEDERAL
HEAVY METAL GYM
HELENA AGRI ENTERPRISES, LLC
HUCK INTERNATIONAL INC
HUCK MANUFACTURING CO INC
HUMOR RAINBOW INC
IEMFS
IGPS LOGISTICS LLC
INTERFAX COMMUNICATIONS LIMITED
JESSUP MANUFACTURED HOUSING LLC
JEWELL
L-3 COMMUNICATION INTEGRATED SYSTEMS
LEHIGH WHITE CEMENT CO
LEHIGH WHITE CEMENT CO LLC
LEHIGH WHITE CEMENT COMPANY LLC
MARATHON NORCO AEROSPACE INC
MARS CHOCOLATE NORTH AMERICA LLC
MARS SNACKFOOD US LLC
MARY KAY INC
MATCH.COM LP
MERCHANTS AUTOMOTIVE GROUP INC
MERIDIAN LEASING CORPORATION
MERRIMAK CAPITAL CO LLC
MESSER LLC
NEWMARKET CORPORATION
OFLAHERTY FINANCE CORP
O'FLAHERTY FINANCE CORP
ONPOINT CAPITAL LLC
ORBIS RPM LLC
OWENS-BROCKWAY GLASS CONTAINER INC
OWENS-ILLINOIS GLASS CONTAINER
PAC MOORE PRODUCTS INC
PAC VAN INC
PACCAR FINANCIAL CORP
PACIFIC RIM CAPITAL INC
PACKAGING CORP OF AMERICA
PACKAGING CORPORATION OF AMERICA
PACKLESS INDUSTRIES
PACKLESS METAL HOSE INC
PATC, LLC
PC5 PROPERTIES LLC
PEOPLE MEDIA INC
PETROFAC INC
PILGRIM'S PRIDE CORP

POLYGLASS USA INC
PRINCIPLE MERCHANTS LEASING LTD
PVS MINIBULK INC
RAYMOND LEASING CORP
RELIANCE GLOBALCOM SERVICES INC
RMS HOLDINGS III LLC
ROMARK LOGISTICS OF TEXAS INC
SANDERSON FARMS INC
SCHWERMAN TRUCKING CO
SCOTT & WHITE HEALTH PLAN
SHAMROCK LEASING
SHELTER INDUSTRIES
SIEGWERK USA
SONOCO FLEXIBLE PACKAGING CO, INC
SONOCO PAPERBOARD GROUP LLC ETAL
SPACE X COMPANY
STAG IV WACO LP
SWAN PRODUCTS LLC
TANKSTAR USA INC
TETRA PAK INC
TEXAS STATE TECHNICAL COLLEGE
THE EUCLID CHEMICAL COMPANY
THE LITTLE EGG
TIME MANUFACTURING CO
TRANE US INC
TWIA
UPS GROUND FREIGHT INC
VALERO MARKETING & SUPPLY COMPANY
VINCERE TECHNOLOGY LLC
VISION PHARMACEUTICALS LP
WACONIZED FEDERAL CREDIT UNION
WAL-MART STORES EAST LP
WELCOME INDUSTRIAL SUB 57 LLC
WRS GROUP INC
ZCOLO,LLC
ZOETIS US LLC

Trepp Report on Value Loss Index

Summary:

TREPP has access to nationwide commercial mortgage information including mortgage appraisals and distressed assets. A third-party report would be of benefit to verify and validate our analysis from an unbiased perspective. We expect significant pushback from commercial owners and agents based on revenue loss to the businesses. Revenue loss to a business is not a direct correlation to the valuation of Commercial Real Estate (CRE). Most CRE values are based on income derived from leases or rent, and considered an investment. Most investors realize COVID is a short-term issue and values will rebound in the next 1-5 years based on property type.

Service:

TREPP will provide a report similar to the example provided with analysis covering different commercial sectors and the indicated impact on CRE valuations.

Cost:

The report would cost approximately \$40,000 and focus on McLennan County and utilize surrounding market areas as needed. An alternative option would be a cost sharing option to request a regional level report in conjunction with Bell County Appraisal District. That cost is unknown currently, and Bell CAD has a relatively low threshold, and may require buy in from Coryell and Hill to be cost effective.

Return on Investment:

Assuming a 3% effective tax rate, and MCAD budget being 1% of the tax revenue generated, the report would have to protect \$133,000,000 dollars to break even. Its difficult to guess how much weight the Appraisal Review Board will put on a report like this versus our typical evidence. The savings equate to 24% of the \$567 million dollars in commercial property value that had an ARB hearing in 2020.

Recommendation:

While I like the idea of the report, I have trouble justifying the cost. If the cost sharing option is possible with the other CADs and our cost could be limited to \$20,000 then I think it would be worth it. At \$40,000 I would be more inclined to wait until after ARB season is over and weigh the cost as a litigation expense.

Sample County Value-Loss Index

Trepp, LLC
600 Fifth Avenue
New York, New York 10020

The Trepp logo consists of the word "Trepp" in a white, sans-serif font, followed by a registered trademark symbol (®). The logo is positioned in the bottom right corner of the page, set against a dark blue background that occupies the lower half of the page. The background image of the page is a photograph of a city skyline at sunset, with the sun low on the horizon, casting a golden glow over the buildings and the water. The sky is filled with dramatic, dark clouds. In the foreground, the water of a harbor or bay is visible, with several small boats floating on it. The overall mood is serene and professional.

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Executive Summary

In the years following the 2008 financial crisis, the commercial real estate (CRE) sector suffered greatly in the recessionary environment. According to CMBS data tracked by Trepp, over a period of four years, the delinquency rate for private-label commercial mortgage-backed securities (CMBS) rose from 0.55% in July 2008 to a record 10.34% in July 2012. Delinquency rate is the percentage of loans (by balance) that are more than 30 days behind payment.

Now, a decade later, another crisis has the potential to have severe and far-reaching impacts on the CRE sector. The immediate impacts have been felt at a far more rapid pace for certain property sectors such as lodging and retail. As states across the US and countries around the world introduced shutdown measures in March of this year, many of the segments of the CRE sector witnessed a sudden demand shock. Travel and tourism came to standstill leaving hotels across the US empty. Officegoers had to move to a work from home lifestyle at a moment's notice resulting in empty offices (Although, most tenants are still paying their rent). Malls and retail space stood empty because of lockdown measures. Multifamily buildings suffered as some renters found it difficult to make timely rent payments but have benefitted greatly from forbearance measures implemented by the CARES Act.

Unlike the four-year timeline from the last financial crisis, private-label CMBS delinquency rates hit a peak in just four months this time around – rising from 2.07% in March 2020 to 10.32% in July 2020. The one glaring difference in this market disruption however is the external nature of the root cause. The underlying market fundamentals of the CRE market at large were very strong heading into March of 2020 with no immediate end in sight. Interest rates were and still are very attractive, rental rates had been increasing quarter over quarter and occupancies in many Sample County locations were at all-time highs. Capital is still available even during a Global Pandemic and government intervention has attempted to support the market during this initial phase of disruption.

The longer the pandemic lasts the more realistic it becomes that it may impact the underlying property and market fundamentals. The pandemic has not only resulted in delayed payments but has already started showing signs of structural distress in certain markets nationally. According to Trepp research, a small number of CRE properties have undergone re-appraisals since the onset of the pandemic, with the largest write-downs occurring in the lodging and retail segments. As of September, aggregate (re)-valuations across these segments have declined by 28.9% and 28.5%, respectively. Further, some borrowers, unable to see long term viability in the current environment, have even indicated a willingness to return the collateral to the lender instead of continuing to make monthly payments. Trepp has identified around 100 such loans (nationally), based on commentary reported by the special servicers. As a point of reference, it is important to point out Trepp currently tracks over 137,000 properties and over 100,000 loans in the dataset.

Considering these trends, or potential trends, at the national level, it has become prudent to identify the extent to which COVID-19 has impacted the industry in specific geographies at a more granular level. This report focuses on the impact of COVID-19 on the CRE properties in Sample County.

Trepp has performed an in-depth analysis of the CMBS loans located within three geographic areas:

- City
- North
- South

Each of these markets reside within the county, and Trepp has assessed the impact (positive or negative) to commercial property valuations due to COVID-19.

Three predominant methodologies have been utilized to reach supportable conclusions on the value loss index by property type.

In each of the three methods, Trepp analyzed the data in a Pre-Covid (stabilized) environment and the new Covid-19 (non-stabilized) environment.

- 1) Analysis of Occupancy Rate
- 2) Analysis of Implied Capitalization Rates
- 3) Analysis of Recent Appraisals/Re-Appraisals

Trepp has also included a data snapshot from its proprietary Trepp Anonymized Loan Level Repository (TALLR). TALLR is part of a data consortium where banks provide data pertaining to their loans and Trepp anonymizes that data and repurposes it into a format that allows participants to gain market intelligence and insight.

FIRREA and Appraisal Assessment

Passed in 1989 in response to the savings and loan crisis of the late 1980s, the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) pertains to regulatory changes to the way independent fee appraisals are conducted in federally related mortgage transaction. This was landmark legislation that impacted the commercial and residential lending landscape in several unprecedented ways.

According to Section 11.01 of the act it states the purpose of FIRREA is as follows: “The purpose of this title is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.”

This stipulates that any federally related mortgage transaction that requires the services of an appraiser (to complete an appraisal report) must comply with the Uniform Standards of Professional Appraisal Practice (USPAP) and must be performed by appropriately licensed professionals.

It further defines the terms Federally Related Transaction and Real Estate Related Financial Transaction within the legislation.

Those definitions are shown below:

(4) FEDERALLY RELATED TRANSACTION - The term ‘federally related transaction’ means any real estate-related financial transaction which -

- (A) a federal financial institutions regulatory agency or the Resolution Trust Corporation engages in, contracts for, or regulates; and
- (B) requires the services of an appraiser.

(5) REAL ESTATE RELATED FINANCIAL TRANSACTION - The term means any transaction involving-

- (A) the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof;
- (B) the refinancing of real property or interests in real property; and
- (C) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

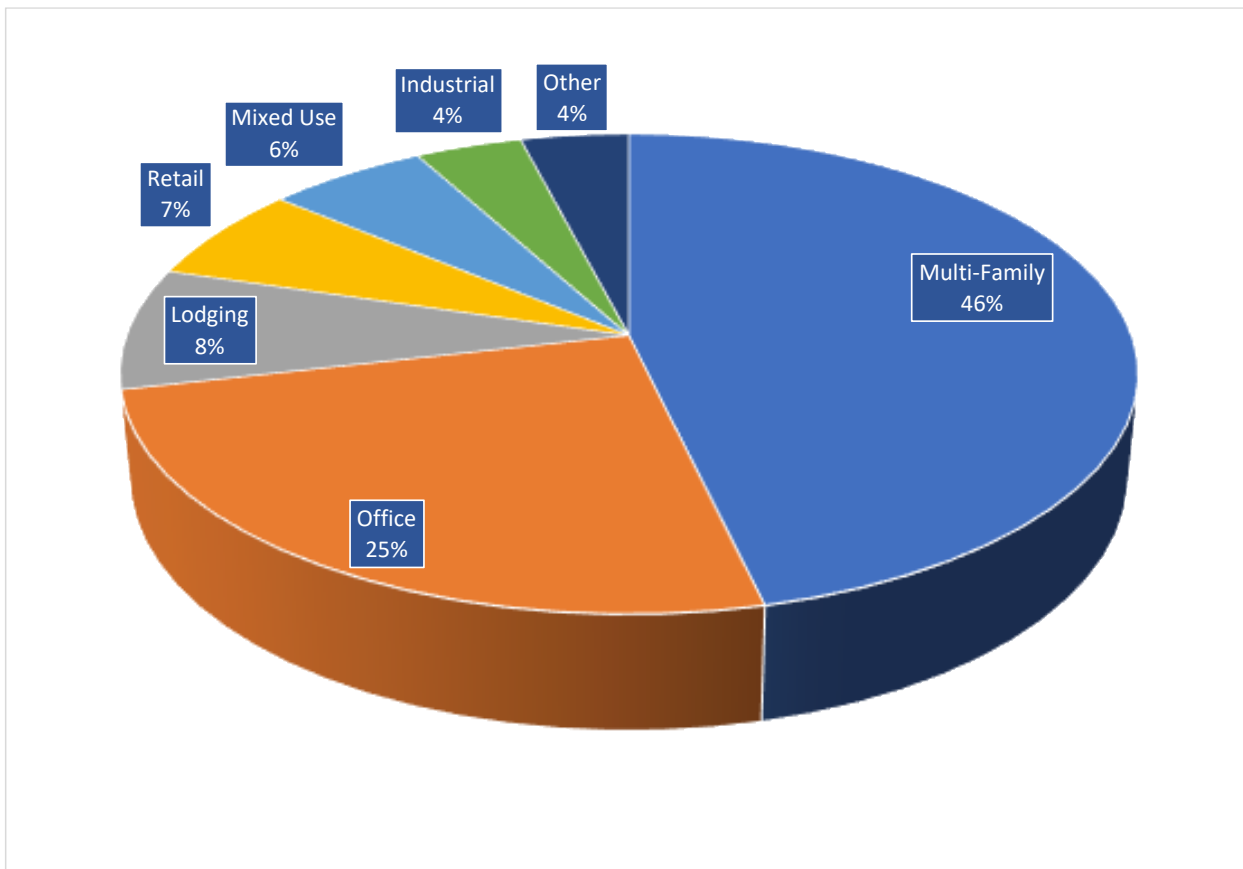
The importance of pointing these items out is to validate the veracity of the appraisal data as contained in the Trepp, LLC database. The appraisal data utilized in this report are subject to the legislation outlined above and are considered in compliance with USPAP and FIRREA.

Current Snapshot - Sample County

Trepp database has granular data for over 3,000 loans totaling \$27 billion in outstanding balance which are backed by CRE properties located in Sample County. Most of these loans (over 2,000) are located in the City region. North and South, each have about 400 loans located within each region.

The following chart represents the composition of outstanding balance by property type.

Figure 1: Outstanding Balance by Property Type



The data shows at the national level, the impact of COVID has been quite different depending on the property type. Lodging loans, followed by Retail loans, have seen the highest amount of distress. The following table (Figure 2) provides an overview of the quarterly performance of private-label CMBS loans by property type within Sample County. The percentage of properties on the watchlist is significantly higher in 2020, but that has not translated into significant dispositions or losses for special servicers at this point in the cycle. The special servicing rate has also increased to alarming numbers for the lodging sector and an uncomfortable level for the retail sector, but again has not translated into losses for the special servicers as of December 2020.

Figure 2: Quarterly Performance by Property Type

Quarter	Property Type	Avg Occupancy Rate	Avg LTV	Delinquency Rate	Special Servicing Rate	Watchlist Rate
Q1 2019	Industrial	96.92	65.18	0.00%	0.00%	10.55%
	Lodging	77.30	58.58	0.72%	3.43%	12.93%
	Multifamily	93.11	67.07	1.62%	1.62%	9.85%
	Mixed-Use	94.75	63.82	0.00%	0.00%	0.33%
	Office	86.97	81.75	1.99%	2.33%	8.91%
	Retail	93.67	66.39	1.74%	2.12%	15.87%
Q2 2019	Industrial	96.56	64.96	0.00%	0.00%	7.08%
	Lodging	75.84	58.84	0.40%	0.73%	15.95%
	Multifamily	93.48	66.89	0.88%	0.88%	14.69%
	Mixed-Use	95.28	63.60	0.00%	0.00%	0.33%
	Office	87.20	67.27	0.43%	0.55%	9.41%
	Retail	93.80	67.14	2.05%	2.43%	20.55%
Q3 2019	Industrial	96.31	64.60	0.00%	0.00%	9.31%
	Lodging	75.69	58.98	1.19%	1.19%	15.26%
	Multifamily	93.04	66.58	0.81%	2.16%	10.53%
	Mixed-Use	96.54	63.99	0.00%	0.00%	0.30%
	Office	87.48	66.28	0.26%	0.27%	8.96%
	Retail	93.20	66.90	2.03%	7.48%	24.52%
Q4 2019	Industrial	95.52	64.59	0.00%	0.00%	1.21%
	Lodging	76.95	56.37	0.79%	0.79%	30.25%
	Multifamily	92.43	64.56	0.24%	1.45%	9.03%
	Mixed-Use	96.35	64.74	0.00%	0.00%	0.26%
	Office	88.05	66.35	2.30%	2.31%	32.07%
	Retail	93.68	67.10	2.53%	7.14%	19.09%
Q1 2020	Industrial	95.36	64.34	0.00%	0.00%	7.40%
	Lodging	75.40	57.85	0.00%	0.79%	48.46%
	Multifamily	93.27	64.04	0.24%	0.24%	8.15%
	Mixed-Use	95.19	64.79	0.00%	0.00%	0.12%
	Office	88.03	66.19	2.22%	2.22%	30.65%
	Retail	92.60	67.91	6.69%	7.01%	18.05%
Q2 2020	Industrial	95.02	64.48	0.00%	0.00%	7.22%
	Lodging	72.73	57.85	51.64%	35.82%	39.89%
	Multifamily	93.69	63.94	4.30%	0.19%	10.46%
	Mixed-Use	94.90	64.79	4.47%	0.70%	26.29%
	Office	88.00	65.38	2.98%	2.19%	18.42%
	Retail	92.18	68.32	17.10%	11.00%	33.86%
Q3 2020	Industrial	95.57	62.55	0.00%	0.00%	8.21%
	Lodging	64.70	60.17	56.00%	50.85%	46.72%
	Multifamily	92.24	63.86	4.34%	4.34%	11.15%
	Mixed-Use	93.10	65.70	4.46%	4.46%	20.50%
	Office	86.70	65.87	1.26%	5.15%	36.99%
	Retail	91.68	68.51	14.26%	14.14%	25.47%

As a result of the pandemic, top line financials at properties across the county have been impacted. Trepp data shows a decrease in the revenue/unit values across various property sectors based on reporting as of mid-December. The following chart (Figure 3) provides the yearly revenue/per unit weighted by property size.

This chart shows topline revenue declines on average, but except for mixed-use and retail properties, nothing has dipped below the 2018 data points.

Figure 3: Weighted Average Revenue Per Unit by Property Type

Property Type	2018	2019	2020
Multifamily	18,014.69	20,679.43	18,371.81
Office	30.77	31.44	31.00
Retail	29.16	29.13	26.56
Lodging	75,394.86	88,035.54	75,236.96
Mixes-Use	33.35	36.01	23.16
Industrial	5.90	5.67	-
Self Storage	19.14	18.26	20.97

Note: Values are weighted by property sizes; 2020 values are as of reporting mid-December

Value-Loss Index Analyses

To assess the impact on CRE property valuations due to COVID, Trepp utilized the three methodologies outlined above to assess (any) impact (positive or negative) to property valuations in Sample County. The data utilized for the following analysis is based on the 3,000+ active CMBS/Securitized loans with properties located within Sample county. The servicers for these loans provide current information about each loan to Trepp monthly.

The first method and underlying data reviewed is the occupancy rates by property type.

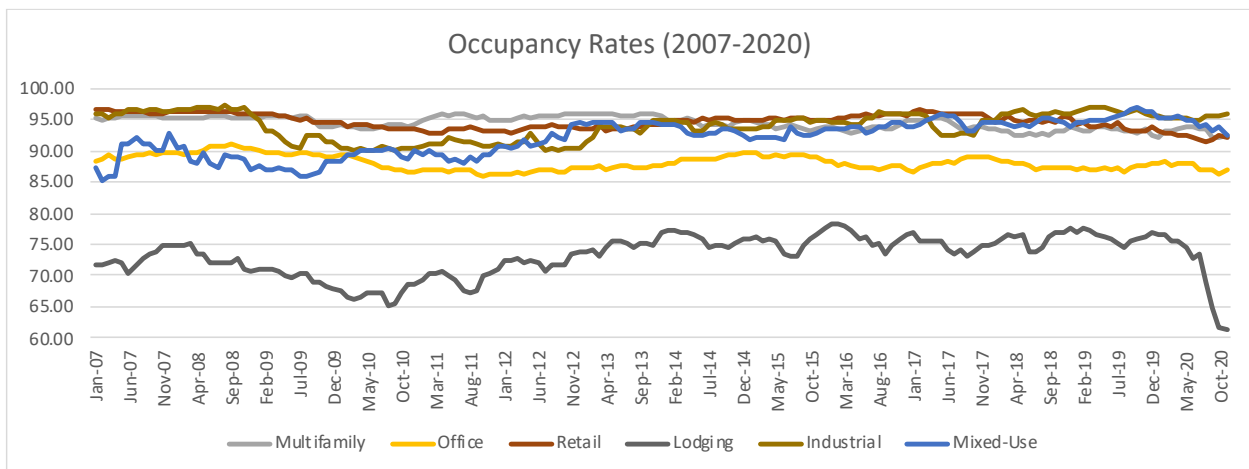
Occupancy Rate Analysis

To assess the impact of the pandemic, Trepp analyzed occupancy rates reported for Sample County CMBS/Securitized loans for each of the property types since January 2007. (Figure 4). The chart shows that while hotel occupancy saw a drop during the last financial crisis, it was nothing compared the current reduction in occupancy rates reported by hotel CMBS loans in Sample County, due to the Covid-19 pandemic.

The hotel occupancy rate (average of most recently reported occupancy rate for each loan) dropped from 75% in March to low 60%'s in November.

All other property types are within a few percentage points of their historical occupancy and would not be cause for any valuation loss at this point. This is as of the most recently reported data and may fluctuate into the future.

Figure 4: Monthly Average Occupancy Rate by Property Type (2007-2020)



The major takeaway from the occupancy analysis is that lodging properties have felt an immediate impact to their business due to Covid-19. The occupancy declines directly attributed to Covid is unprecedented in scope, scale, and the rapid nature of decline.

However, on average the other property types have not felt the impacts of Covid, at least as it pertains to changes in occupancy. They have benefitted from existing lease agreements that have helped stabilize their occupancy and revenue performance.

Capitalization Rate Analysis

For the capitalization rate analysis, Trepp looked at capitalization rate of loans that were securitized in 2019 and loans that were securitized in 2020. These included 373 loans securitized in 2019 and 233 loans securitized in 2020. There has not been a significant shift in the cap rates (on average) for the property types in the three regions. This acts as proof that the perceived market risk has not been actively priced in the newly issued loans.

One explanation for this could be that market participants have held off, or delayed, bringing certain properties to market for sale or disposition. It is assumed that certain assets have been kept off the market during this disruption. This potential lack of transaction activity may be shielding certain risk factors from showing up in the data, but to date, the cap rate information shows market participants are still optimistic about property performance and the generation of cash flow from operations. Another explanation could be that market participants view this pandemic as an external obsolescence that once cured will act as a catalyst for capitalization rate compression and valuation growth.

That said, it is important to note that the lodging sector, which has seen the most severe impact due to the pandemic did not see any new issuance in any of the three regions in the county. The following table (Figure 6) represents the capitalization rate by property type and region for 2019 and 2020 new issue loans.

Some notable takeaways from the individual property sectors are the increase in industrial rates in the City by about 80bps, the 230bps compression for the North multifamily sector and the nearly 200bps increase in the South office sector.

The following charts illustrate the capitalization rates broken out by property type and geographic region. It compares the average capitalization rates for 2019 and 2020.

Figure 5: Securitized Capitalization Rates by Property type and Area (2019 & 2020)

	Average Securitized		Average Securitized	
	Cap Rate - 2019	# of properties - 2019	Cap Rate - 2020	# of properties -2020
City Tri	5.80	291	6.01	124
Industrial	6.45	4	7.31	6
Lodging	7.34	10	-	-
Multifamily	5.79	236	5.94	94
Mixed-Use	5.45	14	5.55	3
Office	5.83	9	6.02	18
Retail	5.62	12	5.77	3
Self Storage	5.65	4	-	-
North Tri	6.76	46	6.32	50
Healthcare	6.87	2	-	-
Industrial	6.28	8	6.52	18
Lodging	9.46	2	9.38	1
Multifamily	5.75	18	5.50	9
Office	9.12	9	6.83	10
Retail	6.09	4	5.86	10
Self Storage	4.90	2	5.49	1
South Tri	6.30	36	5.77	59
Industrial	5.91	4	5.14	9
Multifamily	6.65	16	6.21	12
Office	6.04	2	7.98	1
Retail	6.56	5	5.86	32
Self Storage	5.08	2	5.52	1

Figure 6: City - Change in Capitalization Rates by Property Type (2019 & 2020)

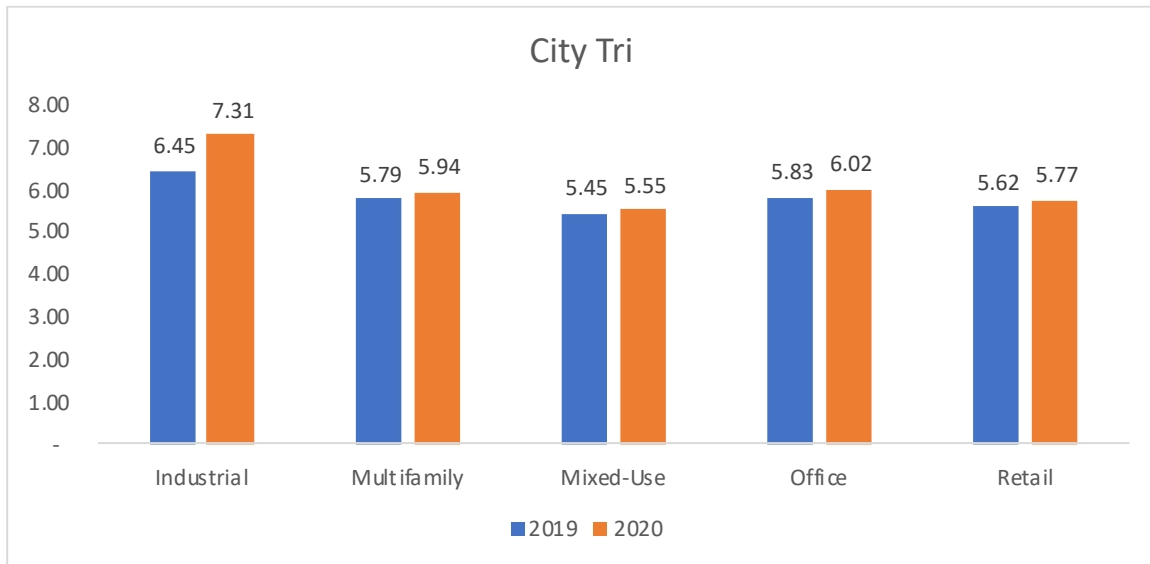


Figure 7: North - Change in Capitalization Rates by Property Type (2019 & 2020)

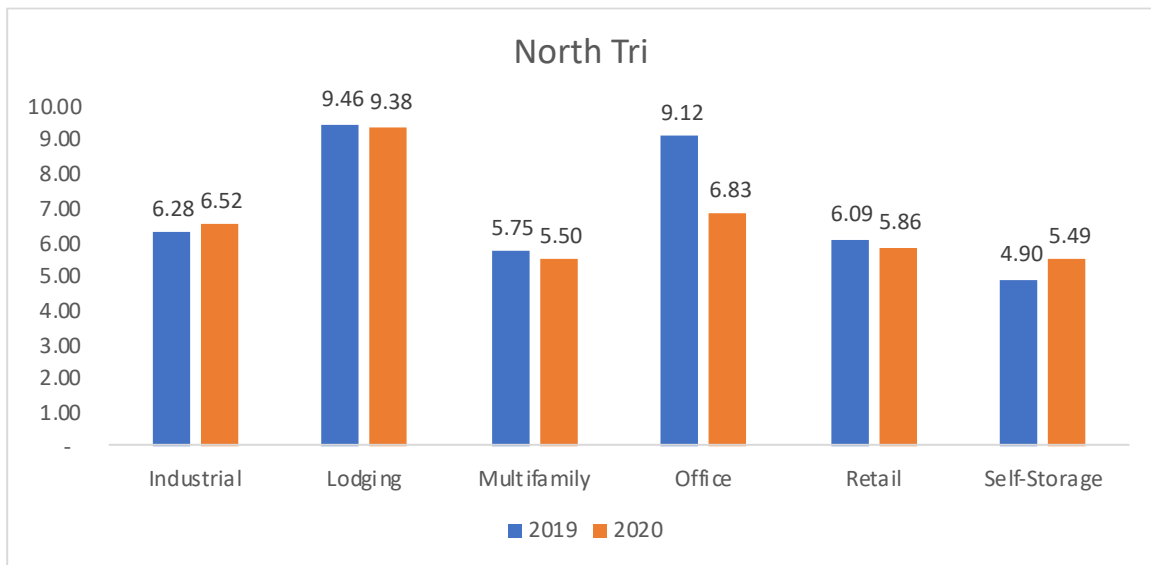
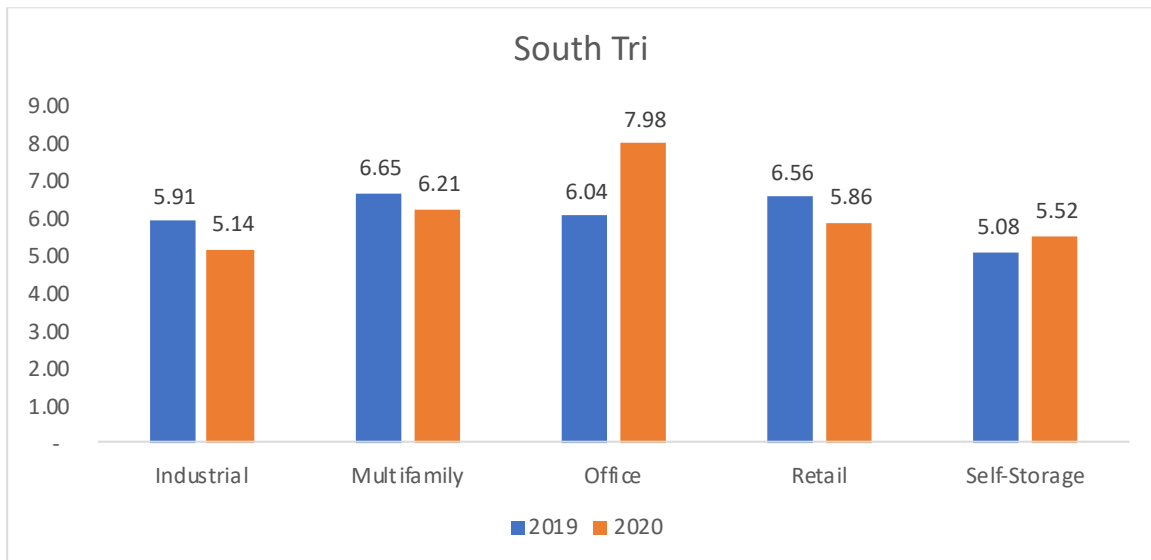


Figure 8: South - Change in Capitalization Rates by Property Type (2019 & 2020)



Appraisal/(Re)Appraisal Analysis

For this component of the analysis, Trepp looked at all the CMBS loans/properties in Sample County that were reappraised by the lender in 2020. They are properties that had an original appraisal whenever the loan was originated and were subsequently reappraised by the lender during 2020. These were not be definition loans that were originated in 2020.

This includes a list of 21 loans totaling \$882 million in outstanding balance. The appraisal value reduction for these loans represents the upper-most limit of value loss.

The following table (Figure 9) represents the aggregate property value write-downs by area and property type.

Figure 9: Appraisal Value Reduction by Property Type and Area (2020)

	Average of change in value	# of properties
City Tri	-32.35%	14
Lodging	-44.29%	7
Multifamily	-1.67%	1
Mixed-Use	-38.68%	1
Office	-38.27%	1
Retail	-16.05%	4
North Tri	-73.52%	2
Office	-70.71%	1
Retail	-76.32%	1
South Tri	-52.91%	5
Lodging	-42.85%	2
Retail	-59.62%	3

The reason these appraisal reductions were so severe are twofold. First, most, if not all, of these properties were having trouble meeting debt service obligations prior to Covid. This indicates that for these properties specifically they have some underlying issues either with condition, management or other factors that prevented them for stabilized operations pre-Covid. Secondly, these properties are the properties where the lender and the borrower acknowledge they are no longer viable under the current loan constraints and the fundamental issues. Therefore, these properties are examples where the owner is walking away, the lender is looking to liquidate, and the fundamentals seemingly do not support continued operation as the property is currently constituted.

The number of properties that were appraised and subsequently reappraised in Sample County total 21. These dramatic decreases in appraised value represent approximately one half of one percent. They are viable data points but represent a statistical outlier in context of the other measured and analyzed data components considered in this analysis.

In addition to recent appraisal value, Trepp also looked at properties which saw an appraisal value reduction during the last financial crisis. While the two market disruptions are significantly different, it does help to understand how the last financial crisis impacted the property valuations in the county.

The following table (Figure 10) represents the aggregate property value write-downs by area and property type witnessed during 2010-13.

Figure 10: Appraisal Value Reduction by Property Type and Area (2010-13)

	Average of change in value	# of properties
City	-34.56%	92
Co-op Housing	-19.71%	1
Healthcare	-57.99%	1
Industrial	-66.82%	4
Lodging	-42.43%	13
Multifamily	-36.32%	19
Mixed-Use	-0.67%	7
Office	-27.05%	19
Other	-81.32%	3
Retail	-33.20%	25
North	-52.56%	71
Industrial	-55.41%	10
Lodging	-45.82%	13
Multifamily	-16.73%	7
Mixed-Use	-64.13%	2
Office	-66.24%	26
Retail	-46.80%	12
Self Storage	-52.73%	1
South	-49.37%	50
Industrial	-45.85%	8
Multifamily	-9.13%	4
Manufactured Homes	-60.42%	1
Mixed-Use	-48.89%	2
Office	-56.11%	12
Other	-34.20%	2
Retail	-55.49%	21

Even during the Great Recession, the number of properties that were appraised and subsequently reappraised in Sample County total 213. These were properties that were also considered no longer viable during the last crisis. The aggregate number of 213 represents approximately six percent of the sample. Again, these are viable data points but are dated at this point happening 7-10 years before this pandemic.

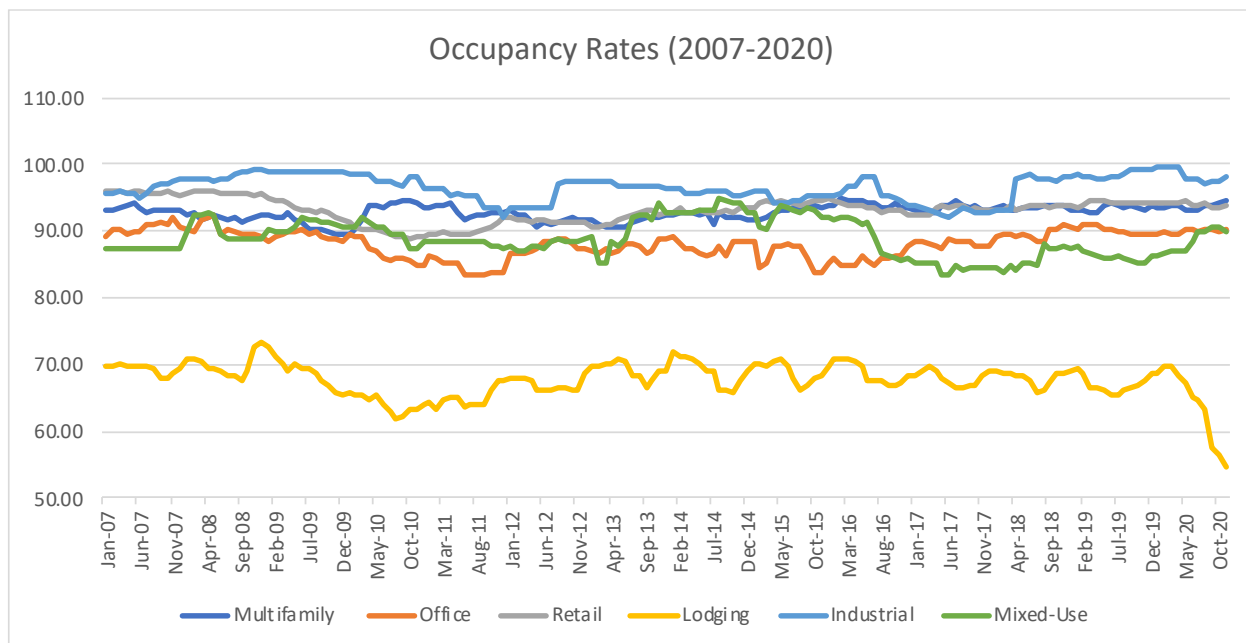
Value-Loss Index – Adjacent Counties

To provide more visibility into the impact of COVID-19 on the property valuations outside of Sample County, Trepp also analyzed the counties bordering Sample County.

These counties include Sample 1, Sample 2, Sample 3, Sample 4, and Sample 5 counties in Sample State. The following chart (Figure 11) represents the occupancy rates reported for these counties' CMBS/Securitized loans for each of the property types since January 2007.

The chart shows that hotel occupancy for these counties has also seen a precipitous drop due to Covid. All other property types appear to be operating at their historical norms.

Figure 11: Monthly Average Occupancy Rate by Property Type (2007-2020)

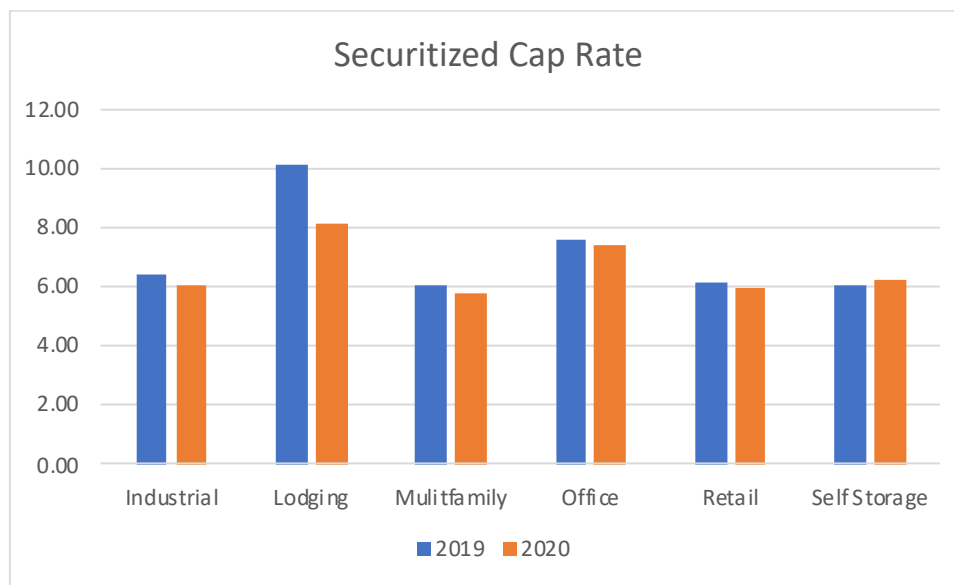


Like the analysis focused exclusively on Sample County, the following charts (Figure 12 and 13) represent the average capitalization rate by property type for 2019 and 2020 new issue loans. In every instance except self-storage properties, the 2020 capitalization rates are lower in 2020 than they were in 2019.

Figure 12: Securitized Capitalization Rates by Property type and Area (2019 & 2020)

Property Type	Average Securitized Cap Rate - 2019	# of properties - 2019	Average Securitized Cap Rate - 2020	# of properties - 2020
Industrial	6.43	24	6.01	112
Lodging	10.15	8	8.08	9
Multifamily	6.01	41	5.76	36
Office	7.60	33	7.40	13
Retail	6.14	19	5.96	85
Self Storage	6.05	8	6.19	5

Figure 13: Change in Capitalization Rates by Property Type (2019 & 2020)



The following chart (Figure 14) represents the appraisal value reduction by property type for loans that were appraised in 2020 from all the counties described above. The same caveats and underlying issues that were outlined with the Sample County “reappraised” properties are also present with these properties.

They are accurate data points but are too few to be statistically reliable and are considered outliers for purposes of this report.

Figure 14: Appraisal Value Reduction by Property Type and Area (2020)

Property Type	Average of change in value	# of properties
Industrial	-89.44%	1
Lodging	-39.23%	13
Multifamily	3.44%	2
Mixed-Use	-35.82%	1
Office	-64.67%	1
Retail	-54.97%	6
Manufactured Homes	19.78%	6

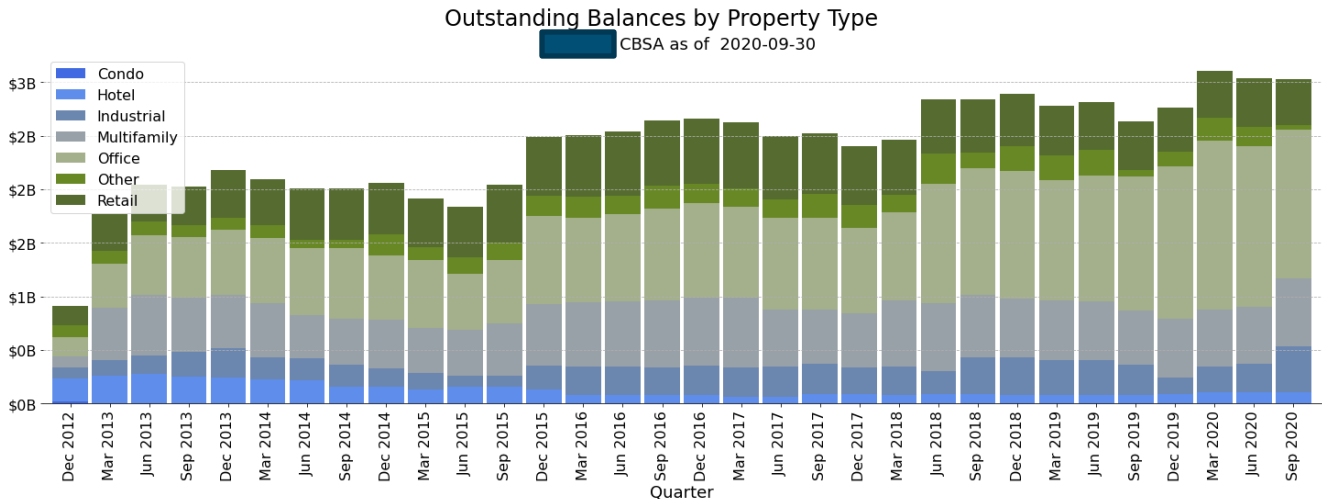
TALLR – (Trepp’s Anonymized Loan Level Repository) Data

Trepp’s Anonymized Loan Level Repository (T-ALLR) houses CRE and C&I data from large and mid-sized commercial banks. The T-ALLR Data Feed contains anonymized loan level and period level at attribute and performance information on each loan. With 7+ years of history and new quarterly originations typically exceeding \$7 billion for CRE and \$9 billion for C&I, T-ALLR provides the breadth and depth necessary to gain insights into market activity, identify trends, and spot emerging pockets of risk and opportunity. Trepp has included market level data on the Sample County and greater Sample area on the following charts and graphs.

This is data sourced from bank balance sheet lenders and provides additional insight into the status of loans and property performance in the geographic regions contemplated in this report.

The following chart (Figure 15) details the outstanding loan balance for each property type contained in the TALLR dataset and the Sample CBSA. The outstanding balance is above that of 2019 and has remained relatively flat throughout 2020.

Figure 15: Outstanding Loan Balance by Property Type for Sample CBSA



In the following table (Figure 16), the TALLR dataset is broken out with active loan balances by county. Sample County has the largest amount of active loans by balance and is followed by Sample 1 and Sample 2 Counties.

This showcases why Sample 1, Sample 2, Sample 3, Sample 4, and Sample 5 were chosen as comparable counties on the adjacent county analysis.

Figure 16: Breakdown of Active Loans by Property Type for Sample CBSA (table)

Active Loans by County/Property Type 3Q 2020							
County	All Types	Multifamily	Retail	Office	Industrial	Hotel	Other
	\$1,691.1M	\$425.2M	\$233.6M	\$831.6M	\$55.3M	\$101.3M	\$43.6M
	\$438.9M	\$98.7M	\$23.9M	\$314.3M	\$.M	\$.M	\$1.9M
	\$405.M	\$37.8M	\$51.2M	\$74.1M	\$239.1M	\$.M	\$2.7M
	\$227.2M	\$4.5M	\$83.3M	\$129.8M	\$9.6M	\$.M	\$.M
	\$202.6M	\$56.1M	\$10.4M	\$36.1M	\$100.M	\$.M	\$.M
	\$34.6M	\$4.4M	\$3.8M	\$.M	\$26.3M	\$.M	\$.M
	\$14.5M	\$.M	\$8.8M	\$2.1M	\$3.7M	\$.M	\$.M
	\$11.1M	\$.M	\$9.6M	\$.M	\$1.5M	\$.M	\$.M
	\$1.4M	\$1.4M	\$.M	\$.M	\$.M	\$.M	\$.M
	\$1.2M	\$.M	\$1.2M	\$.M	\$.M	\$.M	\$.M

The pie charts in (Figure 17) illustrate the TALLR loan distribution by property type in the Sample CBSA. This distribution breakout is slightly different in composition than the CMBS/Securitized data with office being a larger component of the loan universe in the TALLR data.

However, the tables shown in (Figures 18 & 19) demonstrate that the higher concentration of office loans contained in the TALLR dataset. However, that does not negatively impact the delinquency numbers as the TALLR data reports nominal delinquency in the region.

Figure 17: Distribution of Loans by Property Type for Sample CBSA

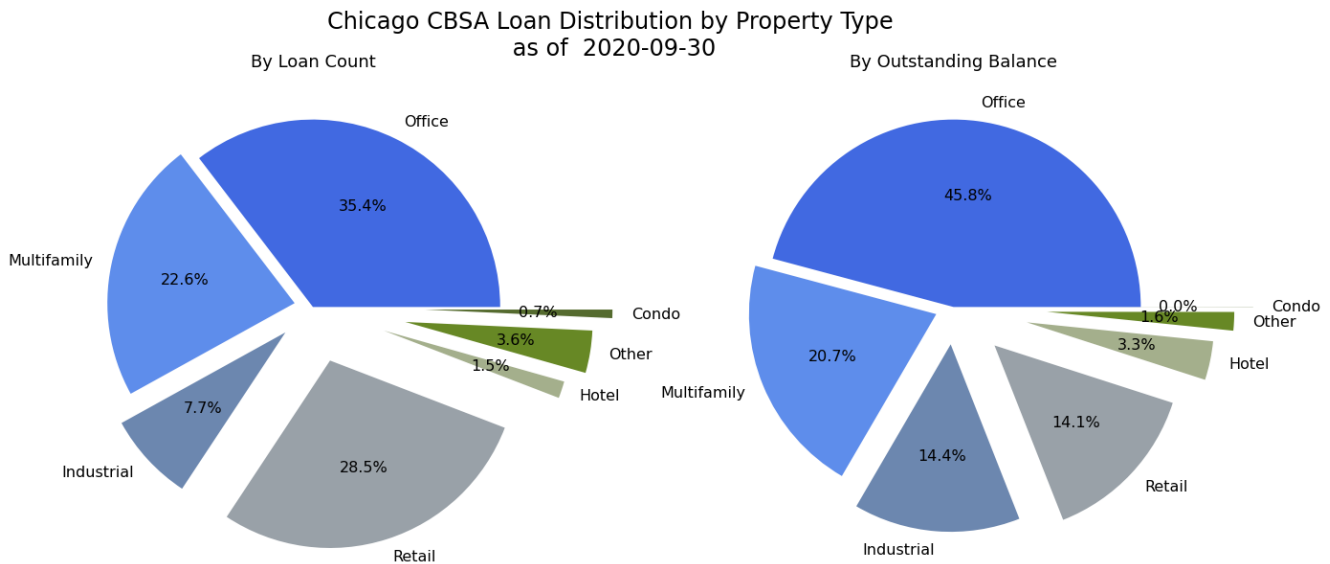


Figure 18: Delinquency Rate by County for Sample as of Third Quarter 2020

Delinquency Rate by County: 3Q 2020					
County	Outstanding Balance	30-89 Days Dlg	90-179 Days Dlg	180+ Days Dlg	Overall Dlg Rate
	\$1,691.1M	0.00%	0.00%	0.11%	0.11%
	\$438.9M	0.00%	0.31%	0.00%	0.31%
	\$405.M	0.00%	0.00%	0.00%	0.00%
	\$227.2M	0.00%	29.18%	0.00%	29.18%
	\$202.6M	0.00%	0.00%	0.00%	0.00%
	\$34.6M	0.00%	0.00%	0.00%	0.00%
	\$14.5M	0.00%	0.00%	0.00%	0.00%
	\$11.1M	0.00%	0.00%	0.00%	0.00%
	\$1.4M	0.00%	0.00%	0.00%	0.00%
	\$1.2M	0.00%	0.00%	0.00%	0.00%

Figure 19: Delinquency Rate by Property Type for Sample as of Third Quarter 2020

Delinquency Rate by Property Type - 2Q 2020					
Property Type	Outstanding Balance	30-89 Days Dlg	90-179 Days Dlg	180+ Days Dlg	Overall Dlg Rate
Office	\$1,388.M	0.00%	0.10%	0.00%	0.10%
Multifamily	\$628.2M	0.00%	0.00%	0.00%	0.00%
Industrial	\$435.5M	0.00%	0.00%	0.00%	0.00%
Retail	\$425.9M	0.00%	15.57%	0.42%	15.99%
Hotel	\$101.3M	0.00%	0.00%	0.00%	0.00%
Other	\$48.3M	0.00%	0.00%	0.00%	0.00%
Condo	\$5M	0.00%	0.00%	0.00%	0.00%

Conclusion

Based on the above analysis and all the data points considered Trepp estimates that the indicated Value-Loss index for the three regions in Sample County by property type is as follows:

Value-Loss Index	
Region	
City Tri:	Value-Loss
Industrial	6-8%
Lodging	12-20%
Multi-Family	0-3%
Mixed-Use	6-8%
Office	3-6%
Retail	6-10%
Self Storage	0-3%
North Tri:	
Industrial	3-6%
Lodging	12-20%
Multi-Family	0-3%
Mixed-Use	-
Office	0-3%
Retail	3-6%
Self Storage	4-8%
South Tri:	
Industrial	0-3%
Lodging	12-20%
Multi-Family	0-3%
Mixed-Use	-
Office	3-6%
Retail	3-6%
Self Storage	0-3%

The anticipated Value-Loss percentages would be representative of the total estimated value loss estimate.

This index anticipates the completion of a direct capitalization method of valuation where a stabilized market proforma is utilized to derive a stabilized Net Operating Income. That Net Operating Income is then divided by an appropriate market capitalization rate, as evidence in this report to derive an estimate of market value. Once the stabilized market value has been determined then the Value-Loss percentage would be applied to the total value.

This methodology recognizes the impact of Covid on the final value by treating it as an external obsolescence instead of capitalizing the “snapshot” Covid Net Operating Income into perpetuity.

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Date: January 28, 2021
To: Joe Don Bobbitt
Chief Appraiser, McClennan Country Assessment District
Cc: Leigh Corson
Director of Consulting and Embedded Services, Strategic Government Resources
Subject: Salary Study Report

We have completed the salary study for the McClennan Country Assessment District (MCAD) and the following report is a summary of the study which includes the following:

- Overall context and observations
- Salary analysis, observations, new salary ranges and recommendations by job title
- 2021 Salary Ranges
- Amended Vision, Mission, Values, and Work Purpose Statements
- Draft salary philosophy document.

Context and Observations

The basis of the study data was information shared between CADs on job titles, pay by individual employees, and in some cases information on length of service and license requirements/attainment. While this provides raw data that can be analyzed, there are inherent limitations to the approach. An optimum practice used in salary survey studies is for participants in a study to agree on the format of the study and an 80% job match of positions being studied to ensure that like jobs are being compared. This is a daunting task for small organizations and typically done by a consultant for a group of employers or an association. That said, the study reflects position titles, some of which are a very good match and some of which be OK due to the uniqueness of how each CAD uses the individual in that position.

Other factors that impact a study are the size participating organizations, CAD location and area economics, and salary philosophy of the organizations that participate. The CADs studies vary widely in size and economic realities. The data is simply looked at as raw data and not through the filters listed. As an organization, you can apply what you know about these factors to the data they provide to help understand how applicable their data compare MCAD.

Another factor that has a “behind the scene” impact on the comparability of the data is the job match. Given some CADs are smaller in size and duties assigned to a specific title may vary greatly based on what the organization needs and skill sets of individuals. As with MCAD employees, some carry responsibilities that are not logically aligned with their title and a salary data point does not give an insight into this. That requires us to look at the data as being relative, not absolute to job titles. This is especially true for clerical/administrative jobs.

Finally, the data that follows from the surveys was designed to show how the participating CADs pay their employees and not their pay philosophy or reflect pay ranges, if the participating CAD has them. It was condensed to reflect how CADs pay so that the MCAD pay ranges could be evaluated as being competitive, which would then lead to having a pay system that helps ensure MCAD employees are compensated competitively, based on their performance. Rather than primarily having the data drive the analysis, judgment was needed to compare the data. Much like comparing different types of apples and oranges, rather than just one known type of apple or orange that a more detailed salary survey could provide.

Salary Analysis, Observations, and Recommendations by Job Title and Pay Range

Data was collected by SGR and MCAD and came from requests to share data, the SGR database, and the VZCAD annual salary and benefits survey. The data is organized by job title in two different formats, depending on if the data was from VZCAD or the data MCAD and SGR provided. The data presented is predominately 2020 data, although some of the CADs only participated in the 2019 VZCAD survey. Their 2019 information was “aged forward” by 3% to reflect the reality of 2020 and the pay practices of many public sector organizations pay increase budgets.

The data will be shown using the new proposed job family pay structures so that job/pay progression can be seen and for management positions for the job family. The data was formatted into a best practice approach for pay structures, which measures range minimum, range mid-point, and range maximum for the pay range currently assigned to the position. The data from MCAD and SGR data collection shows that some CADs reported minimum and maximum ranges, and some reported actual pay for positions. This provided a framework to help develop the new pay ranges.

The VZCAD data allowed for the development of scatter graphs so that each CADs’ data could be seen against the new pay range. This provided individual data from CADs from a larger number of organizations. The data was used to test the effectiveness of the new pay ranges and therefore pay practices of MCAD.

Data was provided by the participating CADs on vehicle allowances as well, but only for the Chief Assessor and Deputy Chief Assessor. It was not included in the salary reflected in the scatter graph because of the variety in the philosophy of the CAD for providing the allowance. All vehicle allowances are designed to off-set the cost of gas in wear and tear on a person’s automobile. However, as with many public sector organizations, some vehicle allowances are set to provide additional income to higher-level positions that is not reflected in their salary. It is captured in the summary spreadsheet that was

developed to examine the VXCAD 2019 and 2020 data and can be looked at separately. MCAD provides vehicle allowances to individuals primarily based on the projected amount of travel the position may require.

The CADs that participated range greatly in the number of employees, from 78 at Williamson to 18-19 from Hood, Wise, and Cherokee. The CADs also differ greatly in their geographic areas in the value of the property, economic growth, job opportunity, number of small and medium-sized cities, and other factors. These have not been quantified in the analysis.

Chief Assessor

Decisions on compensation for the Chief Assessor’s position are the responsibility of the Board of Directors and as a result, a pay range was not developed for this position. The data provided can be used by them as one source of compensation comparison in their approach to establishing the salary level.

MCAD/SGR Data

CHIEF APPRAISER	PAY RANGE		
APPRAISAL DISTRICT	START PAY	ACTUAL PAY	MAX PAY
ATASCO			\$ 95,202.00
AUSTIN CAD			\$ 95,000.00
COREYELLE CAD	\$ 60,000.00		\$ 37,440.00
DELTA CAD	\$ 42,596.00		\$ 55,120.00
EASTLAND CAD	\$ 110,000.00		\$ 145,000.00
FANNIN CAD		\$ 112,000.00	
FAYETTE CAD		\$ 91,035.00	
HENDERSON CAD	\$ 112,671.00		
JEFFERSON CAD	\$ 152,206.00		\$ 185,009.00
KAUFMAN CAD		\$ 140,000.00	
LEE CAD		\$ 85,000.00	
LIME STONE CAD			\$ 82,447.00
MCLENNAN CAD			\$ 95,202.00
MCLENNAN COUNTY			\$ 131,800.00
MILL CAD	\$ 53,858.00		
PALO CAD			\$ 83,732.00
RAINES CAD	\$ 60,000.00		
SO SABINE CAD	\$ 54,000.00		
VZCAD	\$ 90,000.00		
WHARTON CAD	\$ 113,300.00		
Witchata---	\$ 115,000.00	\$ 125,000.00	
TOTAL AVERAGE	\$ 87,602.82	\$ 110,607.00	\$ 100,595.20

VZCAD Data

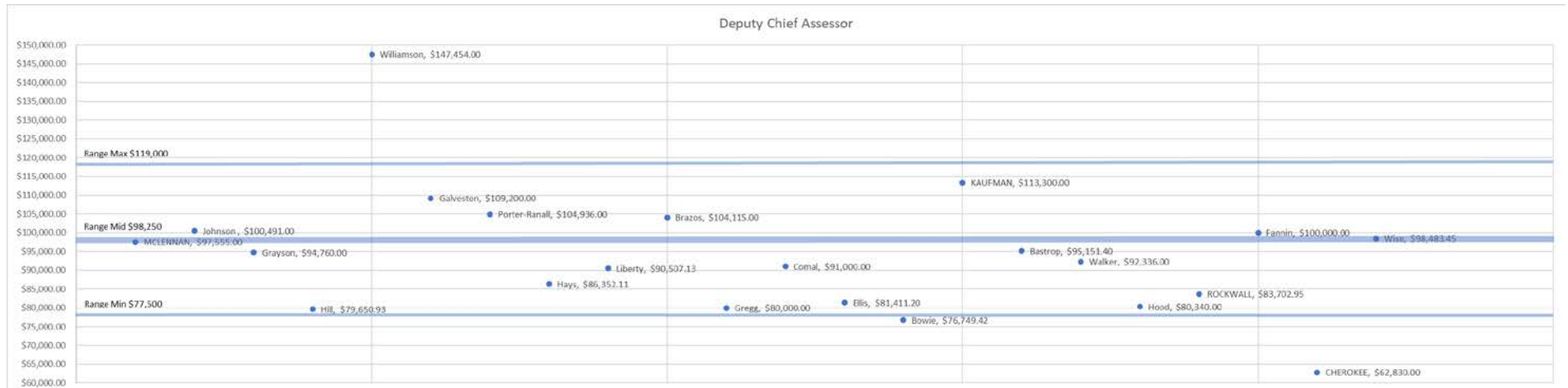


Deputy Chief Assessor

MCAD/SGR Data

ASST CHIEF APPR	Current Range	38.46	6,153.87	8,927.31	80,000	98,028	116,055	36,055	31%	20.8%	
	ATASCO CAD						64,436				
	EASTLAND CAD				55,000		72,000	17,000	24%		
	FANNIN CAD										80,000.00
	KAUFMAN CAD										72,100.00
	LEE CAD										68,902.00
	MCLENNAN CAD						64,436				
	MCLENNAN COUNTY						91,075				
	PALO CAD						65,036				
	VZ CAD										68,900.00
	WALKER CAD				65,000						
	COREY ELLE CAD (data not included-job match?)				35,000		72,800	37,800	52%		
	JFFEERSON CAD (data not included-job match?)				113,176		137,568	24,392	18%		
Averages Salary For Title					66,667		78,840				72,475.50

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. The variety of data in the VZCAD report reflects the differences in the total number of employees. Size of the CAD has an impact on compensation with the small CADs close to (+ or -) the Range Minimum and Williamson at 73 employees well above the Range Maximum.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
24	Deputy Chief Appraisor							\$77,500	\$98,250	\$119,000

MCAD's new range is at market and appears to be competitive. Given the pay and salary history of public sector employers over the past 5-7 years, the pay range can probably be valid for 3-5 years. Local growth and job competition for talented applicants are not driving factors impacting the life of the range.

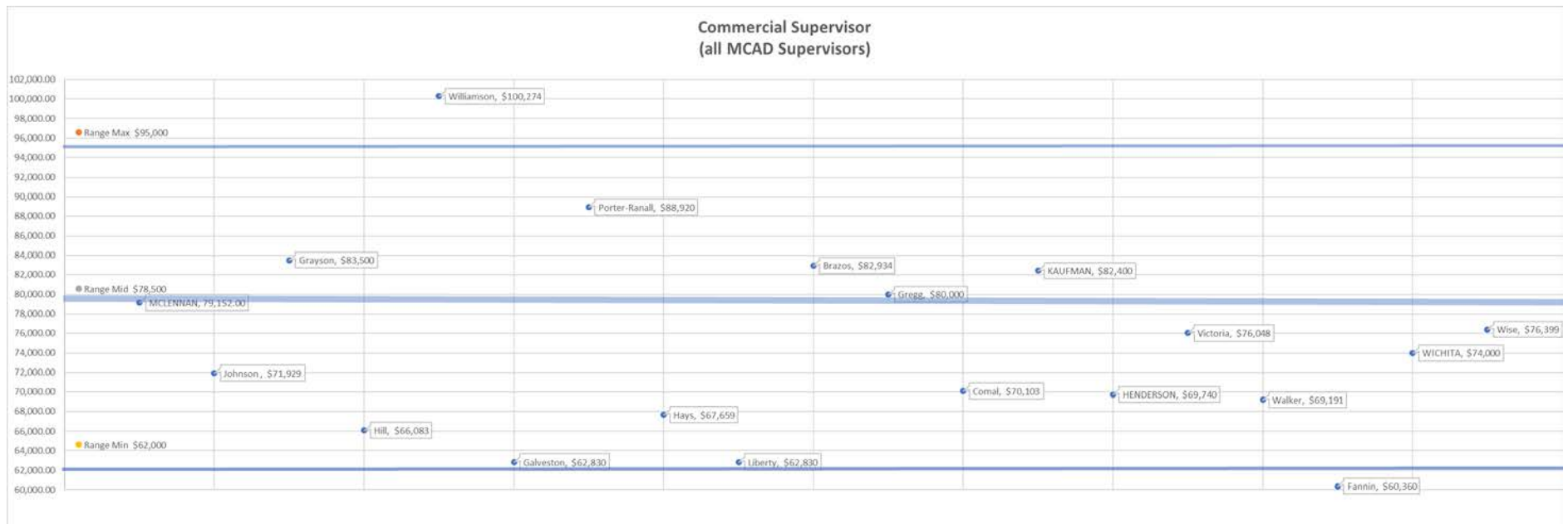
There is plenty of room for the current incumbent to grow.

Commercial/Senior Appraisal Supervisor

MCAD/SGR Data

APPRAISAL SUPERVISOR	Current Range	30.45	4,871.85	7,067.50	63,334	77,606	91,878	28,544	31%		
	FANNIN CAD				57,000		60,000	3,000	5%		
	FAYETTE - DEPUTY CHIEF APP										62,250.00
	HENDERSON CAD				47,447		66,887	19,440	29%		
	JEFFERSON CAD				78,144		94,983	16,839	18%		
	KAUFMAN CAD										82,400.00
	LEE CAD - SR APPRASER										59,000.00
	LIME STONE CAD						46,451				
	MCLENNAN CAD						48,055				
	VZ CAD										51,000.00
	WHARTON CAD										62,000.00
	WITCHITA CAD				46,800		93,000	46,200	50%		70,700.00
	ATASCO data not included-job match?)						48,055				
Averages Salary For Title					58,545		71,608				64,558.33

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. The variety of data in the VZCAD report reflects the differences in the total number of employees. The size of the CAD has an impact on compensation as with the Deputy Assessor data.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
23	Appraisal Supervisor							\$62,000	\$78,500	\$95,000

The new MCAD range is at market and appears to be competitive. Given the pay and salary history of public sector employers over the past 5-7 years, the pay range can probably be valid for 3-5 years. Local growth and job competition for talented applicants may become driving factors impacting the life of the range with the economic and real estate growth in the area served.

All of the current MCAD Appraiser Supervisors are included in this data analysis. Some of the participants in both surveys split off the Residential Supervisor into a lower pay range or have them paid lower than the Commercial Supervisors in their reported data. Given the knowledge, skills, and ability (KSA) required to be a Commercial Supervisor include Commercial Appraiser KSAs, they have elected to put a higher value on that position.

The key question is can a Residential Supervisor manage, train, provide technical assistance to Commercial Appraisers and help with Commercial assessments. A Commercial Supervisor can manage, train and assist Residential Appraisers and help with Residential assessments. Should MCAD develop a pay range for Residential Supervisors?

There is a large enough gap in the Senior Appraiser pay range to the new pay range to allow for a meaningful promotion for Commercial Appraisers. It is a stretch for an Appraiser to be promoted without a sizable promotional increase. Current practices need to be evaluated with respect to the need for a lower Residential Appraiser Supervisor range.

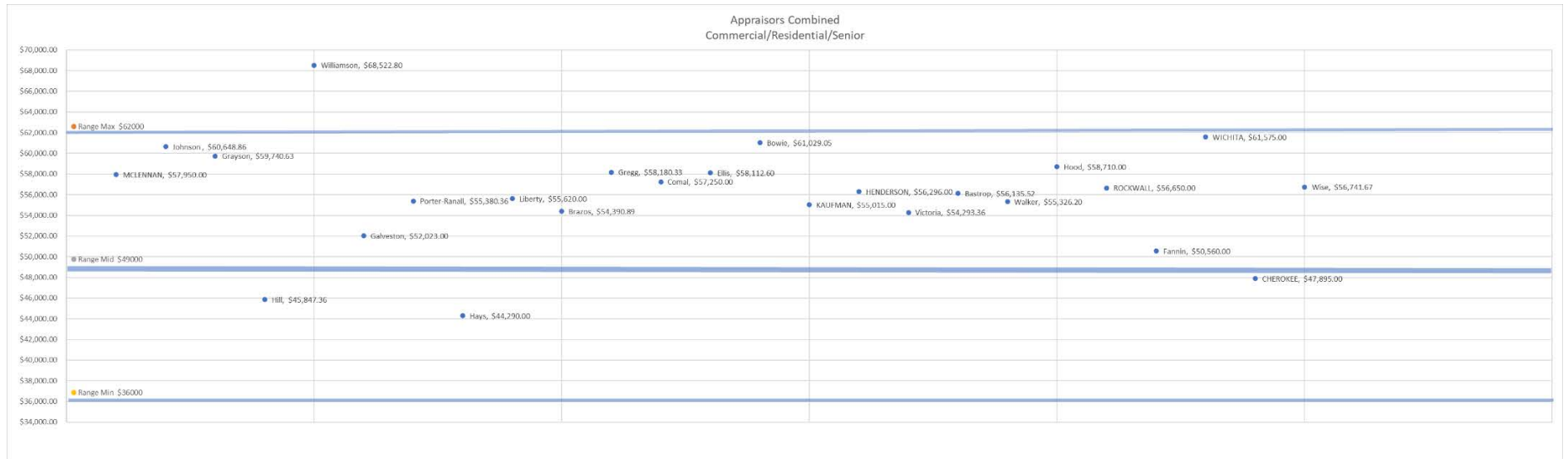
There is plenty of room for current incumbents to grow.

Appraiser (All titles-Commercial, Senior, Residential)

MCAD/SGR Data

Appraiser II - "Staff Appraiser" licensed	Current Range	17.63	2,820.61	4,091.82	36,668	44,931	53,194	16,526	31%	9.1%	
	ATASCO						44,623				
	EASTLAND CAD				28,000		42,000	14,000	33%		
	FANNIN CAD				35,000		52,501	17,501	33%		
	HENDERSON CAD				33,334		52,558	19,224	37%		
	JEFFERSON CAD				51,355		62,421	11,066	18%		
	KAUFMAN CAD										47,380.00
	LEE CAD										37,000.00
	LIME STONE CAD						47,451				
	MCLENNAN						44,623				
	SO SABINE CAD				32,000						
	VZ CAD										43,750.00
	WALKER CAD				27,000						
	WHARTON CAD										39,300.00
	WICHITA CAD				33,500						49,800.00
Averages Salary For Title					34,607		49,209				43,446.00

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. The comparison to the data in the VZCAD report may look like the pay range is low compared to market, but MCAD titles and the VZCAD data did not allow for separation into different job titles. The VZCAD data does show that Commercial Appraisers are paid higher than Residential. It also includes CADs that have an Appraiser and senior Appraiser title in the data.

This causes the actual pay practices shown in the scatter graph to be above, and in some cases well above, the mid-point. This information was taken into account with the recommendation that MCAD has 2 pay ranges for Appraisers. The existing range reflected in the MCAD/SGR data above is for Commercial and Residential Staff Appraisers called Level II appraisers.

A new senior-level range was created for Commercial and Residential Appraisers called Level III. One driving factor leading the creation of the Appraiser III was two of the existing senior-level people were at the top of or slightly above the existing pay range. Creating a market-driven higher range allows for competitive salary practices and a “lifetime” senior-level pay range an individual contributor can be paid in.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum	Dollar Spread	% Spread	Midpoint Shift
20	Appraiser I - "Jr appraiser" non licensed	\$15.38	\$19.47	\$23.56	\$184.62	\$233.66	\$282.70	\$32,000	\$40,500	\$49,000	\$17,000	35%	
21	Appraiser II - "Staff Aprraiser" licensed	\$17.31	\$21.88	\$26.44	\$207.70	\$262.51	\$317.31	\$36,000	\$45,500	\$55,000	\$19,000	35%	11%
22	Apraiser III - Sr. Staff Appraiser" licensed	\$19.23	\$24.52	\$29.81	\$230.77	\$294.24	\$357.70	\$40,000	\$51,000	\$62,000	\$22,000	35%	20%

Given the pay and salary history of public sector employers over the past 5-7years, the pay range can probably be valid for 3-5 years. Local growth and job competition for talented applicants may become driving factors impacting the life of the range with the economic and real estate growth area served.

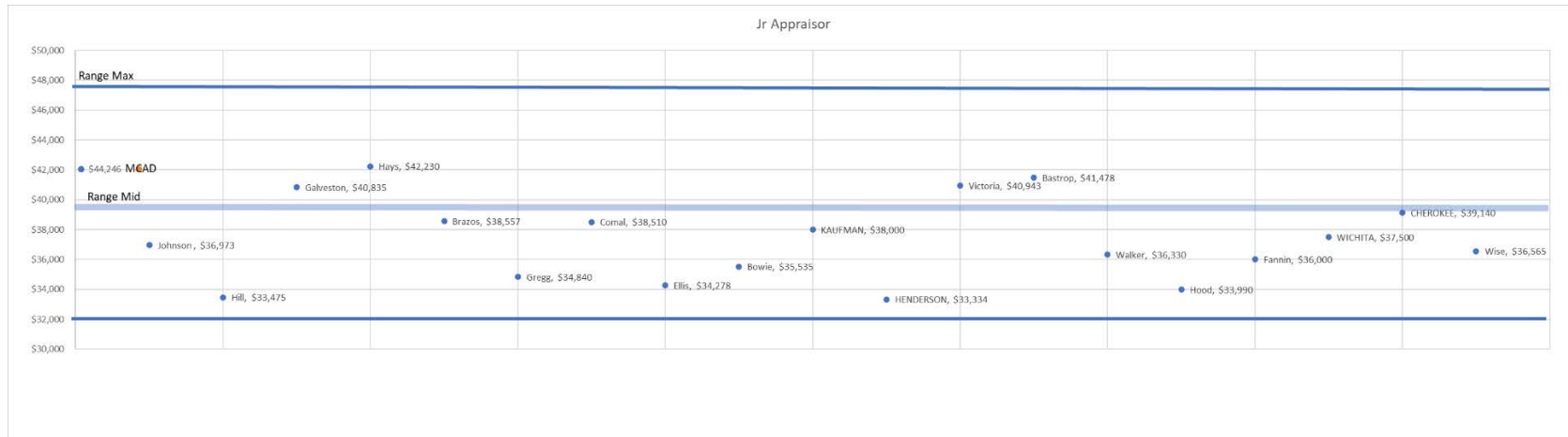
With the development of the new job title and pay range, there is plenty of room for current incumbents at both the current Staff/Level II and Senior/Level III to grow.

Junior Appraiser

MCAD/SGR Data

Appraiser I - "Jr appraiser" non licensed	Current Range	16.03	2,564.21	3,719.86	33,335	40,847	48,358	15,023	31%	5.0%	
	AUSTIN CAD						34,500				
	ATASCO						48,055				
	COREYELLE CAD			24,000			52,000	28,000	54%		
	EASTLAND CAD			28,000			42,000	14,000	33%		
	FANNIN CAD			35,000			52,500	17,500	33%		
	FAYETTE CAD			35,650			46,800	11,150	24%		
	HENDERSON CAD			33,334			52,558	19,224	37%		
	JEFFERSON CAD			43,204			52,513	9,309	18%		
	LIME STONE CAD						32,126				
	MCLENNAN CAD						48,055				
	PALO CAD						53,335				
	RAINES CAD			30,000			45,000	15,000	33%		
	SO SABINE CAD			32,000							
	WALKER CAD			27,000							
	WHARTON CAD			32,000			45,000	13,000	29%		
	Witchata				33,500						71,600.00
Averages Salary For Title					32,252		46,629				71,600.00

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. The variety of data in the VZCAD report reflects the differences in the total number of employees and the limited number of incumbents in the job title. Since it is an entry-level position, new incumbents will drive the reported data well below the mid-point line and over time while they obtain their license and gain experience, they will grow up through the range.

Given the pay and salary history of public sector employers over the past 5-7 years, the pay range can probably be valid for 3-5 years. Local growth and job competition for talented applicants may become driving factors impacting the life of the range with the economic and real estate growth area served.

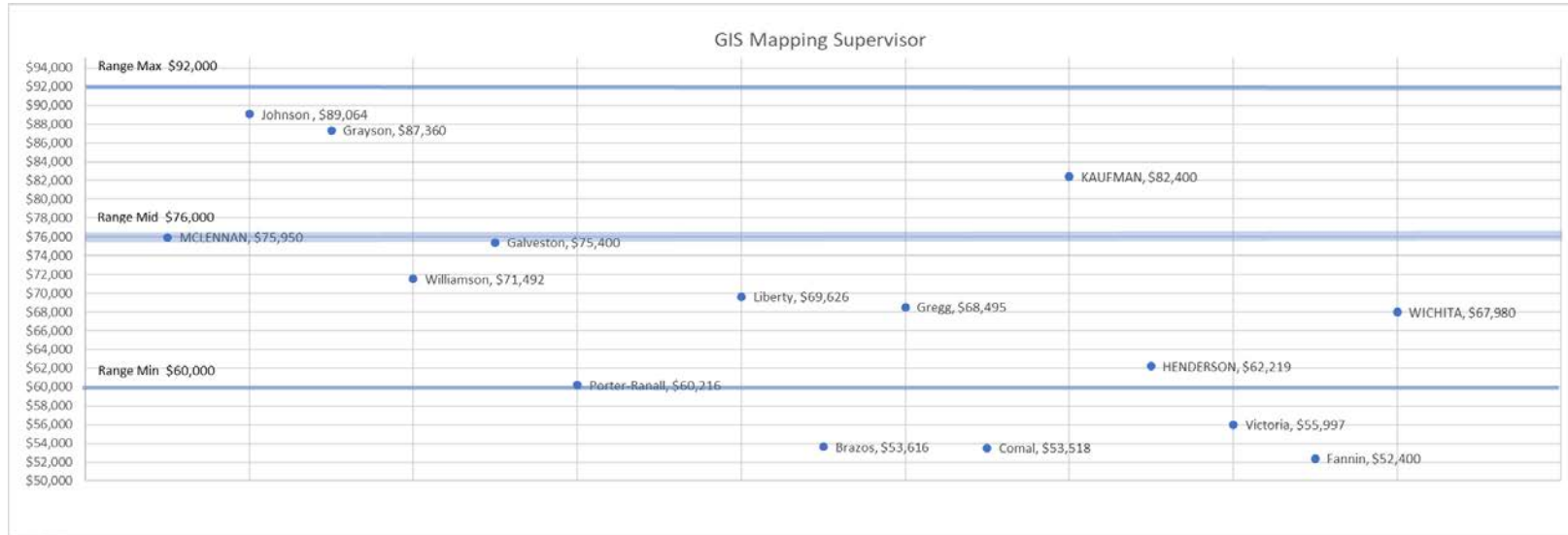
There is plenty of room for current incumbents to grow.

GIS/Mapping Supervisor

MCAD/SGR Data

GIS MAPPING SUPERVISOR		24.84	3,974.43	5,765.64	51,668	63,311	74,953	23,285	31%	12.9%	
	JFFEERSON CAD (data not included-job match?)				92,888		112,907	20,019	18%		

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. This is one of the positions where the title and job duties may vary. Duties can be understood by the title and maybe greater or even differ between CADs. There is only one person in this role in a CAD, and in some, it is an additional responsibility. As an example, IT responsibilities may be part of this position in a smaller organization that does not have the need or can afford a dedicated IT professional.

The new pay range was developed as a “best fit” to what market data showed and past MCAD job responsibilities and title practices.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
12	GIS Mapping Supervisor				\$346.16	\$438.47	\$530.78	\$60,000	\$76,000	\$92,000

Given the pay and salary history of public sector employers over the past 5-7years, the pay range can probably be valid for 3-5 years. This position does exist in other public sector employers which creates some competition for qualified people.

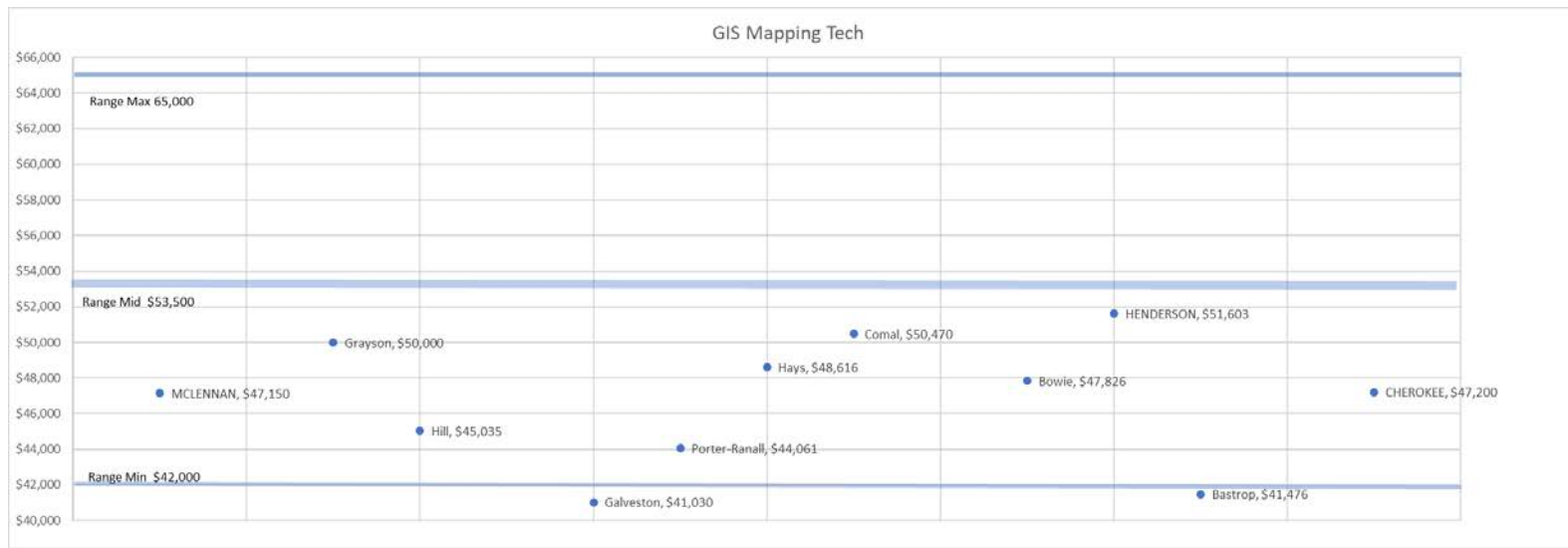
There is plenty of room for the current incumbent to grow.

GIS/Mapping Technician (Data includes 2 levels)

MCAD/SGR Data

GIS MAPPING TECH	Current Range	21.64	3,461.62	5,021.72	45,001	55,142	65,282	20,281	31%	18.5%	
	ATASCO						45,767				
	FAYETTE CAD										49,720.00
	KAUFMAN CAD										30,000.00
	LIME STONE CAD						45,651				
	MCLENNAN CAD						45,767				
	PALO CAD						45,032				
	RAINES CAD				33,000		38,000	5,000	13%		
	GIS SPECIALIST I - HENDERSON CAD				30,144		50,043	19,899	40%		
	GIS SPECIALIST I - MCLENNAN COUNTY				45,550						
	GIS SPECIALIST I - VZCAD										33,000.00
	GIS SPECIALIST II - JEFFERSON CAD				48,881		59,417	10,536	18%		
	GIS SPECIALIST II - MCLENNAN COUNTY				47,675						
	GIS SPECIALIST II - VZCAD										35,250.00
Averages Salary For Title					41,709		49,370				36,992.50

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay appears to be low by being well below the midpoint. This is also one of the positions where the title and job duties may vary. Since the data was mixed, the new pay range was developed to allow a GIS/Mapping Tech to grow.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
10	GIS Mapping Technician	\$20.19	\$25.72	\$31.25	\$242.31	\$308.66	\$375.01	\$42,000	\$53,500	\$65,000

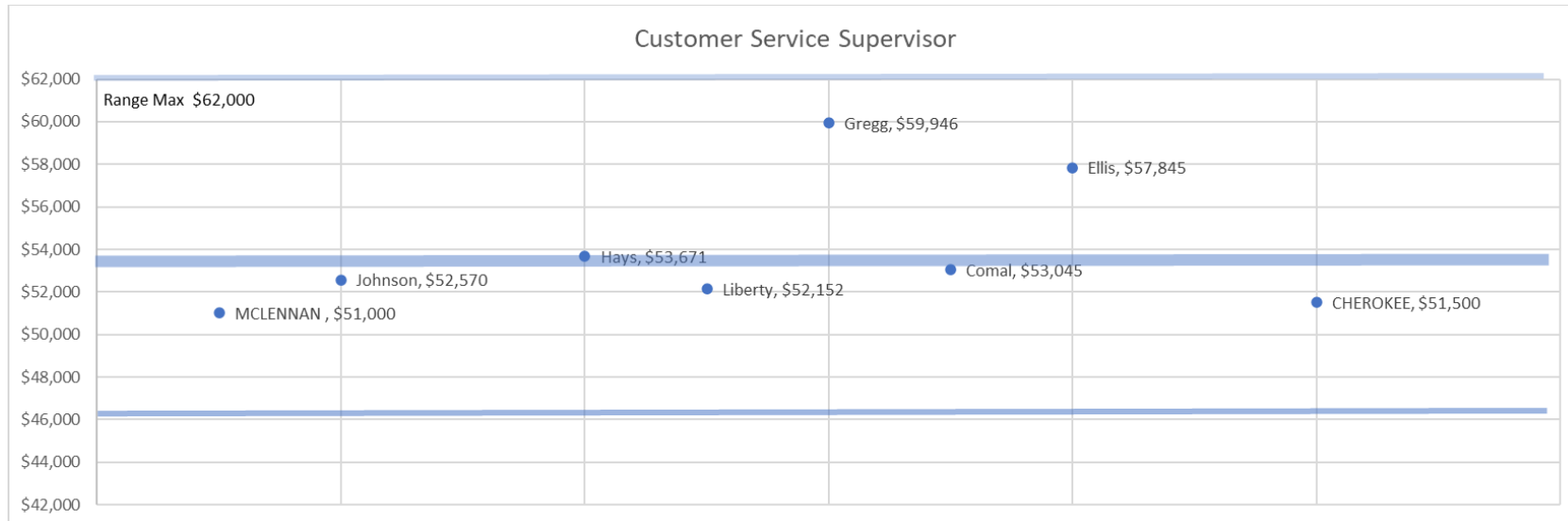
Given the salary level of the current incumbent, the pay range can probably be valid for 3-5 years. This position does exist in other public sector employers which creates some competition for qualified people. The new range allows the organization to attract more senior-level people.

Customer Service Supervisor

MCAD/SGR Data

CUST SERV SUPERVISOR	Current Range	21.64	3,461.62	5,021.72	45,001	55,142	65,282	20,281	31%		
	ATASCO						28,500				
	FANNIN CAD				48,000		59,000	11,000	19%		
	LIME STONE CAD						37,471				
	MCLENNAN CAD						51,100				
	MILL CAD				45,176						
	WITCHITA CAD				50,000						74,000.00
Averages Salary For Title					47,044		48,271				

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. This is one of the positions where the title and job duties may vary. Duties and interaction with the public are understood by the title but may be greater or even differ between CADs.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
5	Customer Service Supervisor	\$21.50	\$25.65	\$29.81	\$258.01	\$307.86	\$357.70	\$44,722	\$53,361	\$62,000

Given the salary level of the current incumbent, the pay range can probably be valid for 3-5 years. This position does exist in other public and private sector employers which creates some competition for qualified people. The new range allows the organization to attract more senior-level people. This pay range should allow competitive pay when competition for talent from the private sector increases as more and/or larger employers establish a presence in the area.

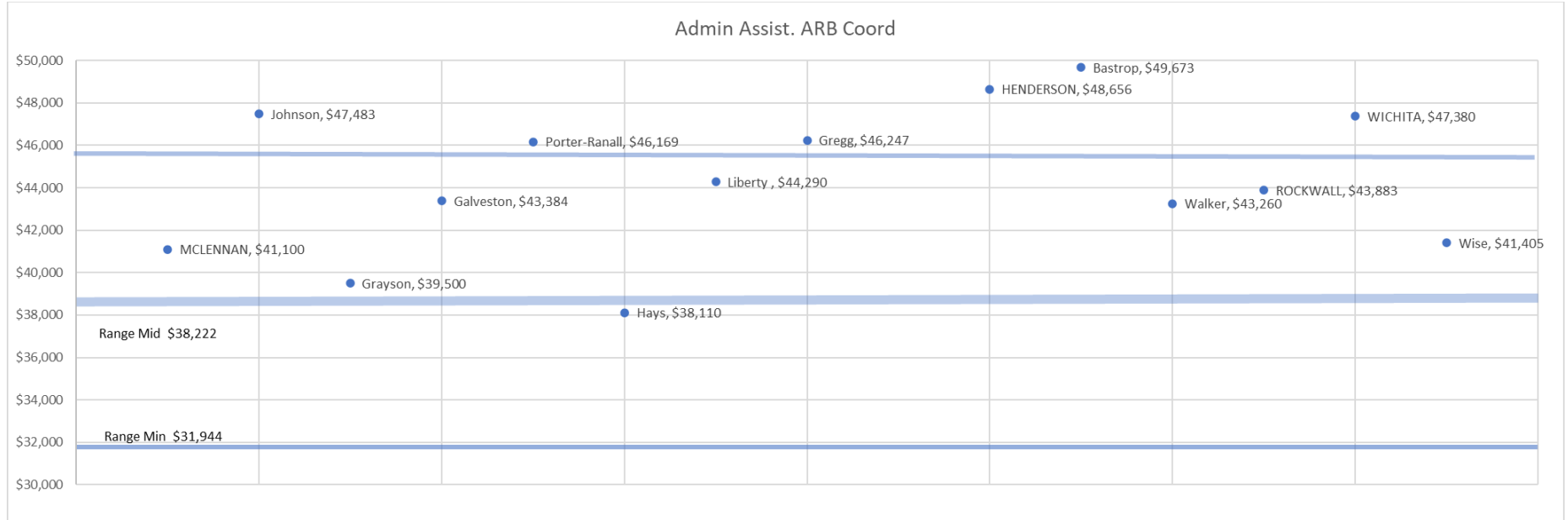
There is plenty of room for the current incumbent to grow.

Administrative Assistant/ARB Coordinator

MCAD/SGR Data

ADMIN ASST	Current Range	17.63	2,820.61	4,091.82	36,668	44,931	53,194	16,526	31%		
	ATASCO						40,522				
	AUSTIN CAD						48,500				
	DELTA CAD				27,848		37,482	9,634	26%		
	FANNIN CAD				31,000		45,000	14,000	31%		
	FAYETTE - OFFICE MGR										45,320.00
	HENDERSON CAD				41,119		59,479	18,360	31%		
	KAUFMAN - ARB COORD										45,320.00
	LEE CAD										40,500.00
	MCLENNAN COUNTY				42,500						
	PALO CAD						41,973				
	RAINES CAD				25,000		40,000	15,000	38%		
	VZ CAD										32,000.00
	JFFEERSON CAD (data not included-job match?)				55,305		67,220	11,915	18%		
	WHARTON CAD (data not included-job match?)										61,285.00
Averages Salary For Title					34,023		45,769				43,713.33

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. This is a very unique position found only in CADs. The title and job duties variety between CADs which makes matching the position using empirical data difficult. Duties and interaction with the hearing staff and the public are critical but maybe greater between CADs.

The new pay range was developed as a “best fit” using the data provided from the 2 surveys and internal equity.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
4	Administrative Assistant Data Ananlyst/ARB Liason	\$15.36	\$18.38	\$21.39	\$184.30	\$220.52	\$256.74	\$31,944	\$38,222	\$44,500

Given the salary level of the current incumbent, the pay range can probably be valid for 3-5 years. This position does exist in other CADs which may create some competition for qualified people.

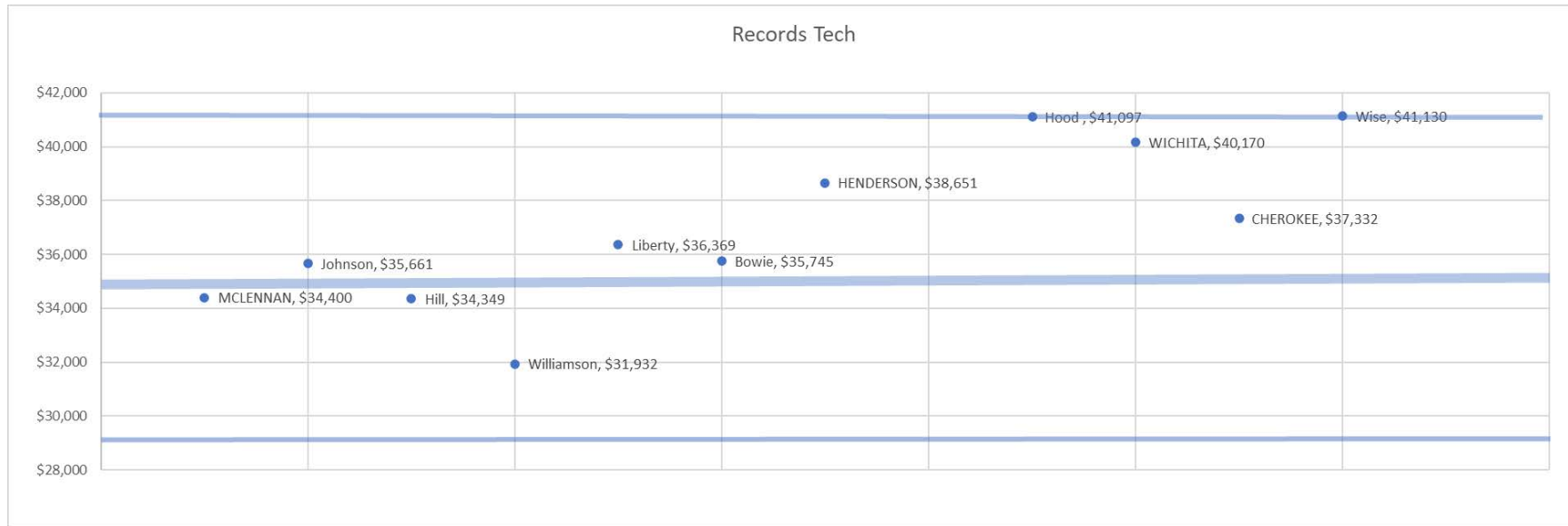
There is plenty of room for the current incumbent to grow

Records Technician

MCAD/SGR Data

RECORDS TECHNICIAN	Current Range	15.23	2,436.01	3,533.88	31,668	38,804	45,940	14,272	31%	5.3%	
	ATASCO						31,127				
	COREYELLE CAD				16,640		37,440	20,800	56%		
	HENDERSON CAD				25,870		37,525	11,655	31%		
	MCCLENNAN COUNTY						31,127				
	SO SABINE CAD				28,000						
	Witchata				27,000		46,900	19,900	42%		
	JFFEERSON CAD (data not included-job match?)				52,637		63,985	11,348	18%		
Averages Salary For Title					25,836		38,343				

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. The title and job duties variety between CADs which makes matching the position using empirical data difficult. This position does exist in other public and private sector employers which creates some competition for qualified people. The new pay range was developed as a “best fit” using the data provided from the 2 surveys and internal equity.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
3	Records Tecchnician	\$13.96	\$16.62	\$19.28	\$167.54	\$199.45	\$231.35	\$29,040	\$34,570	\$40,100

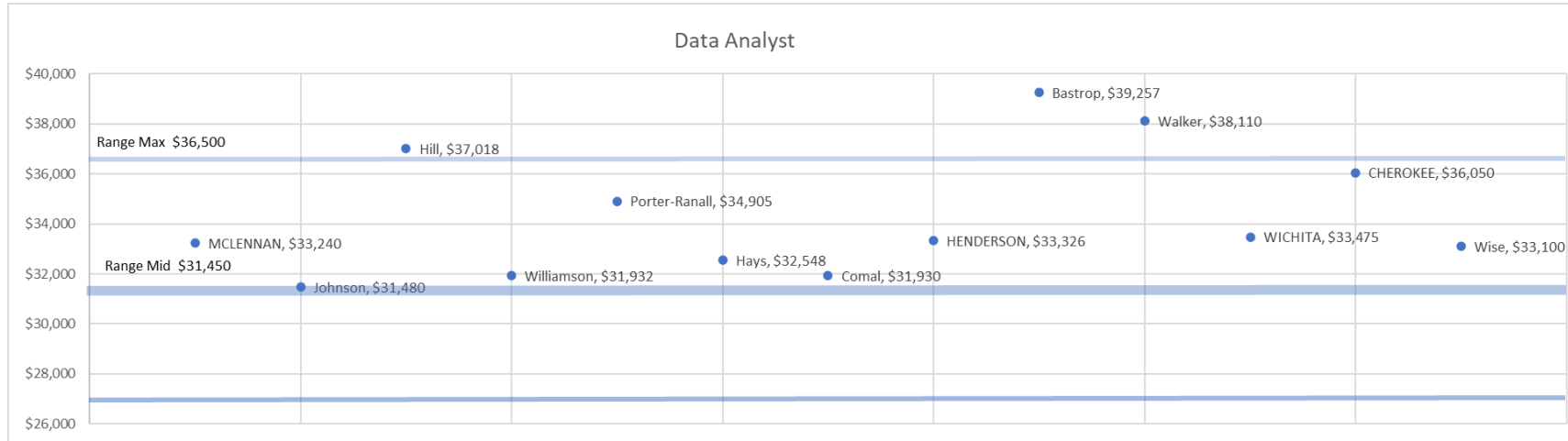
There is plenty of room for currents incumbents to grow

Data Analyst

MCAD/SGR Data

DATA ANALYST	Current Range	14.42	2,307.81	3,347.90	30,001	36,762	43,523	13,522	31%	16.7%	
	ATASCO CAD						42,573				
	COREVELLE CAD				16,640		37,400	8,000	27%		
	MCLENNAN COUNTY				42,825						
	MCLENNAN CAD						42,523				
	VZCAD										49,650.00
Averages Salary For Title					29,822		41,505				49,650.00

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively. This position does exist in other public and private sector employers which creates some competition for qualified people. This is also a position that may feel compensation pressure from the private sector as it grows and especially from Amazon as a large employer with higher in-hire than may have been in the area before. MCAD will need to monitor the hiring practices of the private sector and carefully handle turnover if a minimum wage of \$15 should become prevalent with Amazon.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourly Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
2	Data Analyst	\$12.69	\$15.12	\$17.55	\$152.31	\$181.45	\$210.58	\$26,400	\$31,450	\$36,500

The organization may need to build into the budget planning process for 2020/2021 funds for range increases to ranges 1-3 to retain staff. If planned correctly the budget can include a small adjustment, such as 5%, for later in 2020 which can be implemented if wage competition prevents the organization from retaining or attracting the right level of talent and quality of employee. If the market does change, an additional adjustment may be required in 2021/2022.

Data Clerk/Customer Service

MCAD/SGR Data

DATA CLERK	Current Range	12.02	1,923.20	2,789.95	25,002	30,636	36,269	11,267	31%		
	AUSTIN CAD										37,500.00
	EASTLAND CAD				24,000	28,000	32,000	8,000	25%		
	KAUFMAN CAD				23,519	28,816	34,112	10,593	31%		
	LIME STONE CAD						25,721				
	MILL CAD				37,750						
	RAINES CAD				22,000	26,000	30,000	8,000	27%		
	SO SABINE CAD				27,000						
	WALKER CAD				25,000						
	WHARTON CAD				34,680						
	JEFFERSON CAD (data not included-job match?)				47,690	52,828	57,966	10,276	18%		
	Witchata (data removed, bad match 50K-74K)										
Averages Salary For Title					27,369	28,363	31,620				37,500.00

VZCAD Data



The pay range developed from the MCAD/SGR data and the VZCAD data shows that the pay range appears to be competitive and that MCAD is paying competitively.. As with the Data Analyst, this position does exist in other public and private sector employers which creates some competition for qualified people. This is also a position that will feel compensation pressure from the private sector as it grows and especially from Amazon as a large employer with higher in-hire than may have been in the area before. MCAD will need to monitor the hiring practices of the private sector and carefully handle turnover if a minimum wage of \$13 should become prevalent with Amazon.

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum
1	Data Clerk	\$11.54	\$13.77	\$16.01	\$138.46	\$165.29	\$192.12	\$24,000	\$28,650	\$33,300

The organization may need to build into the budget planning process for 2020/2021 funds for range increases to ranges 1-3 to retain staff. If planned correctly the budget can include a small adjustment, such as 5%, for later in 2020 which can be implemented if wage competition prevents the organization from retaining or attracting the right level of talent and quality of employee. If the market does change, an additional adjustment may be required in 2021/2022.

2021 Pay Ranges

Revision Date 1/20/2021

Administrative Pay Ranges

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum	Dollar Spread	% Spread	Midpoint Shift
1	Data Clerk	\$11.54	\$13.77	\$16.01	\$138.46	\$165.29	\$192.12	\$24,000	\$28,650	\$33,300	\$9,300	28%	
2	Data Analyst	\$12.69	\$15.12	\$17.55	\$152.31	\$181.45	\$210.58	\$26,400	\$31,450	\$36,500	\$10,100	28%	8%
3	Records Tecchnician	\$13.96	\$16.62	\$19.28	\$167.54	\$199.45	\$231.35	\$29,040	\$34,570	\$40,100	\$11,060	28%	9%
4	Administrative Assistant Data Ananlyst/ARB Liason	\$15.36	\$18.38	\$21.39	\$184.30	\$220.52	\$256.74	\$31,944	\$38,222	\$44,500	\$12,556	28%	12%
5	Customer Service Supervisor	\$21.50	\$25.65	\$29.81	\$258.01	\$307.86	\$357.70	\$44,722	\$53,361	\$62,000	\$17,278	28%	27%

Technical Pay Ranges

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum	Dollar Spread	% Spread	Midpoint Shift
10	GIS Mapping Technician	\$20.19	\$25.72	\$31.25	\$242.31	\$308.66	\$375.01	\$42,000	\$53,500	\$65,000	\$23,000	35%	
11	SR GIS Mapping Technician				\$288.47	\$366.35	\$444.24	\$50,000	\$63,500	\$77,000	\$27,000	35%	16%
12	GIS Mapping Supervisor				\$346.16	\$438.47	\$530.78	\$60,000	\$76,000	\$92,000	\$32,000	35%	30%

Liscenced Pay Ranges

Range #	Assigned Job Titles	Hourly Mimimum	Hourly Midpoint	Hourlyl Maximum	Monthly Mimimum	Monthly Midpoint	Monthly Maximum	Annual Mimimum	Annual Midpoint	Annual Maximum	Dollar Spread	% Spread	Midpoint Shift
20	Appraiser I - "Jr appraiser" non licensed	\$15.38	\$19.47	\$23.56	\$184.62	\$233.66	\$282.70	\$32,000	\$40,500	\$49,000	\$17,000	35%	
21	Appraiser II - "Staff Aprraiser" licensed	\$17.31	\$21.88	\$26.44	\$207.70	\$262.51	\$317.31	\$36,000	\$45,500	\$55,000	\$19,000	35%	11%
22	Apraiser III - Sr. Staff Appraiser" licensed	\$19.23	\$24.52	\$29.81	\$230.77	\$294.24	\$357.70	\$40,000	\$51,000	\$62,000	\$22,000	35%	20%
23	Appraisal Supervisor							\$62,000	\$78,500	\$95,000	\$33,000	35%	19%
24	Deputy Chief Appraisor							\$77,500	\$98,250	\$119,000	\$41,500	35%	20%



Our Vision

We envision a more efficient and forward-focused appraisal district, where values are implemented in an equal and uniform manner and ample resources for the public to be adequately informed about the requirements, and processes

Our Mission Statement

Our mission is to courteously and efficiently serve the property owners and taxing entities (cities, schools, county, and special districts) of McLennan County by timely producing an accurate, complete, and equitable appraisal roll.

Our Values

- We believe in providing those we serve timely and accurate services that can be measured with results.
- Our people are the ones that make this happen through their fairness, honesty, respect of others, equality of service, ethical behavior, and inclusiveness of those they serve and work with.
- We accomplish these through teamwork, problem-solving, perseverance, and improving efficiency because individuals are committed to our mission, vision, values, and delivering results.
- We believe that it is important to invest and develop our people and our team believes in being responsible for self-development.

Purpose Statement

Our primary purpose is to develop an appraisal roll for taxing entities to ensure fair taxation under the tax code.

DRAFT Salary System Philosophy and Plan



Salary System Philosophy and Plan

The Pay System

Compensation is an important component in the overall relationship we have with employees. The system is designed to enhance the recruitment, employee engagement, pay recognition, and employee retention of those who join the McLennan County Assessment District (MCAD). The pay range system is designed to ensure that our pay practices are:

- competitive
- provide for individual salary growth within a job title
- opportunity to grow into a higher title or new position
- designed in a way that pay practices can be compared with other similar organizations with similar positions.

The salary system philosophy and plan are reviewed annually as part of the budget planning process. Pay ranges are evaluated against market data and updated as needed when competitive market factors and economic indicators demonstrate that the ranges need to be evaluated. Cost of Living increases are designed into the pay range system changes in COLA typically do not drive the need to reevaluate pay ranges.

Consistent with our values, we believe open communication about the pay system and open communication with employees is important. Individuals are encouraged to talk with their supervisor or managers about the pay system if they have questions or concerns. Supervisors and managers will not discuss pay of other employees with individuals. From time to time the pay system and broad practices may be discussed with employee groups or at large to ensure any adjustments or changes are announced to all employees and there is an opportunity to ask questions.

Individual Compensation

Pay for performance or giving pay increases for the achievement of mutually agreed-upon results is at the heart of the pay philosophy and plan. The achievement of results and the way the results are achieved are the primary factors that drive an individual's pay and pay increases.

An employee and manager should regularly talk about objectives, results, and the values that are identified in the performance review system to ensure both are openly communicating expectations, performance results, and areas for improvement and development. These discussions should occur more than just annually during the formal pay review and increase process.

Promotion

Promotional increases occur when an individual is promoted to a new job category and may also occur when merited for a promotion within a job title family. Promotional pay increases are typically calculated based on the skills, knowledge, and ability the individual will bring to the new job. Other factors may impact the increase as well such as market comparison and economic conditions.

Vehicle Allowance

MCAD will provide a vehicle allowance for individuals in positions that require frequent use of a vehicle to complete their work. The allowance is assigned by job title and based on an estimated annual mileage, plus gas and use of a personal automobile. The allowance amounts will be evaluated as needed and adjustments made as cost factors or job requirements dictate. To help assist the calculation of the allowance, we may ask employees to report mileage for a period of time to ensure the allowance reasonable. The vehicle allowance is not calculated as part of an employee's total compensation package.

	<ul style="list-style-type: none"> Revise draft and finalize Develop internal, Board and LAP Team marketing plan and completion date Complete the marketing plan Identify areas where Vision, Mission, Statement of Work and Values can be incorporated or highlighted as driving principles or values.(i.e. job descriptions, annual MCAD goals and objectives, performance appraisals, employee handbook, recruiting materials, one-on-one meetings) 	1/8/21	1/25/21	Completed Ongoing
1	<ul style="list-style-type: none"> Develop a 12-18 month work-plan after the HR Leader and Chief Appraiser are filled. Reassess initial list and reprioritize as needed Develop a revised plan with detailed action items/deliverables MCAD review and finalize draft MCAD share with Board Update with progress and new/modified priorities 	10/15/20 12/8/20 12/15/20 12/19/20 2/11/21	12/26/20 12/15/20 12/16/20	Completed Completed Completed Ongoing
1	<p>Review and revise Employee Handbook.</p> <ul style="list-style-type: none"> MCAD provide Word version for review and update Review materials and become familiar with overall handbook Talk with Joe Don and Jim to review areas of concern he identified and prioritize sections or specific policies to update Develop action plan with completion dates for updating handbook Develop an updated look and feel based on Vision/Mission/Values Revisions reviewed by MCAD Leadership and modified/approved Revisions reviewed with Employee Engagement Committee for review and reactions Revisions inputs from Employee Engagement Committee reviewed and action recommendations made by MCAD leadership 	11/1/2020 12/19/20 1/15/21 1/19/21	3/31/21	Completed Completed Completed
2	<p>Incorporate organizational values into hiring and onboarding activities.</p> <ul style="list-style-type: none"> Review recruitment materials and communication and discuss how Vision/Mission/Values can be incorporated better into materials. Edit and update as needed to reflect Vision/Mission/Values Review offer materials and edit to reflect Vision/Mission/Values Review Onboarding materials and activities and discuss how Vision/Mission/Values can be incorporated better into materials. Edit and update as needed to reflect Vision/Mission/Values 	1/1/21	1/31/21	
3	Review, update and standardize job descriptions.	10/15/2020	2/13/21	

	<ul style="list-style-type: none"> Review current format and content for legal compliance and effectiveness in recruitment, onboarding, training, and performance management Develop new template for job descriptions that is easy to read and update MCAD identify priority list for job description updates Develop completions dates for job descriptions based on MCAD priorities 			
3	<p>Establish an Employee Experience Committee to help the organization review the draft vision, mission and values. Continue the committee for monitoring the general welfare of MCAD, providing employee input and ideas, and assistance with organizational changes.</p> <ul style="list-style-type: none"> Develop supporting purpose and process plan for MCAD leadership. MCAD leadership identify and recruit 6 employees. Leadership and Jon meet with team to review purpose and answer questions. Team reviews Vision/Mission/Values plan to provide reaction and input. 	<p>12/16/20</p> <p>12/18/20 1/31/21 Target date March</p>	<p>1/1/21</p>	<p>Completed</p> <p>In process</p>
4	<p>Develop an internal communication plan that incorporates feedback from the Employee Experience Committee.</p> <ul style="list-style-type: none"> Post Employee Experience Team meeting, develop plan to communicate to all employees for MCAD Leadership team. Leadership team reviews plan, modify as needed, and designate who will be responsible for what and when. 	<p>1/15/21</p>	<p>2/26/21</p>	
5	<p>Develop a Supervisory Leadership training program with a mix of online and live training options as well as options for individual and/or team coaching.</p> <ul style="list-style-type: none"> Review SGR options for content and cost to incorporate with live course options. Make recommendation to MCAD leadership for implementation. Develop matrix to identify MCAD participants for the SGR virtual courses offered in 2021 and streamline enrollment through embedded Services. Identify participants for training and registration. Implement training as agreed on that meets MCAD workload reality. Plan intro to supervision workshop and conduct. 	<p>12/20/21</p> <p>1/18/21</p>	<p>4/1/21</p>	<p>Completed</p>
6	<p>Implement standard documentation with appropriate approvals for hiring pay and any other pay changes.</p> <ul style="list-style-type: none"> Review current process. Make recommendations and complete process map to ensure consistency in roles and responsibilities. Modify as required. 	<p>9/1/2020</p>	<p>12/31/2020</p>	
6	<p>Revamp the onboarding program to include an emphasis on the organizational purpose, values, structure and expectations.</p>	<p>2/1/21</p>	<p>3/1/21</p>	

	<ul style="list-style-type: none"> • After Vision/Mission/Values are finalized and Handbook timeline is established, develop new onboarding program that includes: <ul style="list-style-type: none"> ○ Employee and Supervisor checklists with timelines ○ Support materials ○ Process map • Share final draft with Employee Engagement Committee for input and support. 			
7	<p>Implement a structured cross-training program with defined criteria to measure outcomes.</p> <ul style="list-style-type: none"> • MCAD leadership reviews current updates to cross training program. • Complete organizational scan to identify total organization needs and perspective to an effective cross training plan. • Share final draft with Employee Engagement Committee for input and support. 	10/15/21		
8	<p>Establish a safety program with comprehensive policies and ongoing training.</p> <ul style="list-style-type: none"> • Evaluate current safety policy, process and plan. • Identify with TML a best practice approach for an organization of 50 people • Develop a draft safety plan that is realistic for MCAD. • MCAD leadership review plan and modify as needed. • Share final draft with Employee Engagement Committee for input and support. 	11/15/2020		
8	<p>Conduct a comprehensive Training Needs Assessment to determine additional areas that require training and/or coaching.</p> <ul style="list-style-type: none"> • Develop organizational survey too assess technical training, supervisor training, customer service training, employee development and organizational transformation skills needs. • Develop recommendations for MCAD leadership for implementation after July 2021. • Identify best methods within MCAD, SGR, HR consultant skills and external resources for achieving the plan within the budget allocated. • Develop rollout plan for MCAD leadership team for review, modification and implementation. • Share final draft with Employee Engagement Committee for input and support. 	3/1/21	4/1/21	
9	<p>Establish a Performance Management Program that incorporates criteria for values-based behaviors.</p> <ul style="list-style-type: none"> • Implement 2020 changes MCAD leadership developed and assess if any changes are needed as a result of finalizing the Vision/Mission/Values. • Develop any changes needed and implementation schedule' • Share final draft with Employee Engagement Committee for input and support. 	10/15/20		Completed
		12/19/20		Completed

9	Utilize the Employee Experience Committee to make recommendations for an Employee Recognition Program and a program of employee events. <ul style="list-style-type: none"> Assess the success of the use of the committee after each committee reviewed. Conduct a 6-month review and assessment of effectiveness by team members and MCAD leadership team. Identify any changes that need to be made to improve. 	1/1/21		
9	Review standard HR forms and develop templates. <ul style="list-style-type: none"> List forms to be redesigned and priority Develop consistent “look and feel” template (List forms with target dates for completion) 	10/1/20		

Ongoing

Priority	Description	Notes
2	Utilize open recruitment for support positions.	Ongoing with openings
5	All conditional offer letters should be developed and sent by HR staff.	Ongoing with openings
1	Identify areas where Vision, Mission, Statement of Work and Values can be incorporated or highlighted as driving principles or values.(i.e. job descriptions, annual MCAD goals and objectives, performance appraisals, employee handbook, recruiting materials, one-on-one meetings)	

Completed

Establish a part-time or contract HR Leadership role with 2-3 days per month onsite and a negotiated amount of dedicated off-site hours per month. Approved by Board 11-17-20	9/24/2020
Establish a dedicated email address for submission of employment applications.	9/1/2020
Establish a Performance Management Program that incorporates criteria for values-based behaviors. <ul style="list-style-type: none"> Implement 2020 changes MCAD leadership developed and assess if any changes are needed as a result of finalizing the Vision, Mission and Values. 	12/19/20
Determine and define organizational values.	1/08/21

MCAD high season monthly SGR HR support hours 16

MCAD low season monthly SR HR support hours 40

Draft Ideas for Vision, Mission, Purpose Statement and Values

McLennan County Appraisal District Vision Statement

Recommend that one be developed. It should be a forward-looking statement about how the organization will better serve the constituents. i.e.

We envision a more efficient and innovative appraisal district, where values are implemented in an equal and uniform manner and ample resources are available for the public to be adequately informed about the requirements, and processes.

McLennan County Appraisal District Mission Statement

Our mission is to courteously and efficiently serve the property owners and taxing entities (cities, schools, county, and special districts) of McLennan County by timely producing an accurate, complete, and equitable appraisal roll.

McLennan County Appraisal District Purpose Statement

Why does the organization exist? i.e.

Our primary purpose is to develop an appraisal roll for taxing entities to ensure fair taxation in accordance with the tax code.

McLennan County Appraisal District - Our Values

- We believe in providing timely and accurate services that can be measured with results.
- Our people are the ones that make this happen through their fairness, honesty, respect of others, equality of service, ethical behavior, and inclusiveness of those they serve and work with.
- We accomplish these through teamwork, problem solving, perseverance, and improving efficiency because individuals are committed to our mission, vision, values and delivering results.
- We believe that it is important to invest and develop our people and our team believes in being responsible for self-development.

Integration of Organizational and Individual Values

- Respectful, cooperative, and inclusive
- Invest in people, Growth of people
- Results/measurable results
- Individual responsibility to be ethical, improve efficiency, and teamwork
- Mistakes are opportunities
- Employees-honesty, respect, fairness, equality, teamwork, doing the right thing

Individual Values

Integrity and Trust, Motivating Others, Patience

Approachability, Developing Direct Reports, Ethics and Values, Perseverance, Problem Solving, Self-Development

Chief Appraiser Updates

February 11, 2021

APPRAISAL:

- Residential Notices April 5th, Commercial May 3rd, BPP May 28th
- 600 residential new construction permits remaining

ARB:

- 39 Remaining 2020 hearings, 24 are motions filed after certification
- ARB hearings tentatively May 17th-July 16th
- 2021 hearing location not set (June 12th WISD graduation, Conv. Center intermittent availability)

ARBITRATION:

- 98 Submitted; 45 Commercial & 53 Residential
- 1 Rejected by Comptroller, 1-Won, 7-Settled

LAWSUITS:

- 116 pending suits
- 87 cases involving 2020
- Resolved 37 suits in 2020
- Sandy Creek Agreed Judgment pending

HR:

- 5 Positions filled with new hires
- Don Whitney, Commercial Supervisor retired end of January

TRAINING AND EDUCATION:

- Multiple webinars regarding valuing properties in declining market & impact of COVID
- TAAD conference in February moved to virtual conference

BUILDING/FACILITIES:

- Will be installing plexiglass on front counter and restricting access beyond counter.
- Security System replaced

MISCELLANEOUS:

- Best Practices meeting with Ellis CAD and Bell CAD February 9th
- Lexis Nexis exemption verification batches, \$0.50 per property
- Switching to Zoom for future meetings