KARNES COUNTY APPRAISAL DISTRICT

2027-2028 KARNES COUNTY APPRAISAL DISTRICT REAPPRAISAL PLAN

In accordance with the Texas Property Tax Code Sec. 6.05(i), this document contains the written two-year reappraisal plan of all taxable property located within the Karnes County Appraisal District.

Table of Contents

Item:	Page:
Executive Summary	4
TAX CODE REQUIREMENT	5
REVALUATION DECISION	6
Tax Year 2027	
Tax Year 2028	
PERFORMANCE ANALYSIS	6
Ratio Study Results	
Appraisal Accuracy	
Appraisal Uniformity	
ANALYSIS OF AVAILABLE RESOURCES	6
Staffing for Reappraisal Year	
Proposed Budget for 2026	
Professional Appraisal Contract Services	
Existing Practices	
Information Systems (IS) Support	
Existing Data and Maps	
PLANNING AND ORGANIZATION	7
Calendar of Key Events – 2027	
Calendar of Key Events – 2028	
Performance Objectives	
Production Standards for Field Activities	
MASS APPRAISAL SYSTEM & PROCESSES	7-8
Forms and Procedures/CAMA System Revisions	
CAMA System Revisions as Required	
Real Property Valuation	
Personal Property Valuation	
Noticing Process	
Hearing Process	

DATA COLLECTION REQUIREMENTS 8-9
New Construction
Remodeling
Re-inspection of Problematic Markets
Re-inspection of Universe of Properties on Specific Cycles
Verification of Sales Data and Property Characteristics

PILOT STUDY BY TAX YEAR 10
Test New/Revised Mass Appraisal Methods
Ratio Studies by Market Category
Test Accuracy and Reliability in Market Areas

VALUATION BY TAX YEAR 11-15
Market Analysis
Model Development
Model Calibration
Calculation of Preliminary Values
Test Values for Accuracy and Uniformity

VALUE DEFENSE 15
Informal Appeals
Formal Appeals
Burden of Proof Evidence for Market Value and Equity

THE WRITTEN REAPPRAISAL PLAN 16-17
Planning a Reappraisal
Steps in a Reappraisal
KCAD Reappraisal Plan: 2027-2028 18-20

2026 REAPPRAISAL SCHEDULE 21-22

EXECUTIVE SUMMARY

The Karnes County Appraisal District has prepared and published this reappraisal plan to provide the Board of Directors, citizens, governing bodies of the taxing units and taxpayers with a better understanding of the District's responsibilities and activities. This plan has several sections describing the appraisal effort by the Appraisal District.

The Karnes County Appraisal District (KCAD) is a political subdivision of the State of Texas created January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. The Board of Directors, appointed by the taxing units within the boundaries of Karnes County, governs the appraisal district. The Chief Appraiser, appointed by the Board of Directors, is the chief administrator of the Appraisal District.

The Appraisal District is responsible for local property tax appraisal and exemption administration for jurisdictions or taxing units in the county. Each taxing unit sets its own tax rate to generate revenue to pay for police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Property appraisals by the appraisal district allocate the annual tax burden on the basis of each taxable property's market value. The District also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly and disabled, disabled veterans, charitable or religious organizations and agricultural productivity valuation.

This executive summary is included with the legal requirement of a reappraisal plan passed by the Texas Legislature in the 2005 regular session. Details of how the plan will be implemented are discussed in the body of this document. In addition to the Karnes County Appraisal District Appraisal Manual, the district follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable and required by law. The Karnes County Appraisal District Board of Directors specifically empowers the Chief Appraiser to amend this reappraisal plan whenever necessary to comply with USPAP, Property Tax Code requirements or amendments, and whatever changes he deems prudent and necessary to complete a timely reappraisal.

The goal of the Karnes County Appraisal District is to appraise all taxable property at fair market value or special appraised value when applicable, to administer all proper exemptions equally, uniformly, fairly and without prejudice or bias and deliver exceptional customer service to the taxpayers and taxing units of Karnes County.

Questions or comments about the 2027-2028 Karnes County Appraisal District reappraisal plan are welcomed and should be directed to the Chief Appraiser.

TAX CODE REQUIREMENT:

Passage of Senate Bill 1652 amended Section 6.05 of the Texas Property Tax code by adding Subsection (i) to read as follows:

(i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of the hearing. Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the Comptroller within 60 days of the approval date.

Plan for Periodic Reappraisal Requirement:

Senate Bill 1652 amends Section 25.18, Subsections (a) and (b) to read as follows:

(a) Each appraisal office shall implement the Plan for Periodic Reappraisal of property approved by the board of directors under Section 6.05(i).

(b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years:

1. identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;
2. identifying and updating relevant characteristics of each property in the appraisal records;
3. defining market areas in the district;
4. identifying property characteristics that affect property value in each market area, including:
    a. the location and market area of property;
    b. physical attributes of property, such as size, age, and condition;
    c. legal and economic attributes; and
    d. easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions;

5. developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
6. applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
7. reviewing the appraisal results to determine value.

REVALUATION DECISION (REAPPRAISAL CYCLE):

The Karnes CAD, by policy adopted by the Board of Directors and the Chief Appraiser, reappraises all real and local personal property in the district with a two-pronged approach. Each property within the District is reviewed either physically or by other means, such as aerial photography, on a three-year cycle and statistically evaluated through a market study using sales information annually; thus, a substantially complete reappraisal of all properties in the District occurs over a three-year period, but a complete statistical appraisal occurs every year.

Section 6.02
House Bill (HB) 1010 amends subsection (a) concerning Appraisal District boundaries for legislative cleanup purposes. The bill also repeals language in subsection (b) and replaces it with language providing the Board of Directors of two or more adjoining Appraisal Districts are not precluded from providing for the operation of a consolidated Appraisal District by interlocal contract. HB 1010 repeals subsections (c), (d), (e), (f) and (g) relating to overlapping Appraisal Districts. Effective Jan. 1, 2008, unless two or more Appraisal Districts consolidate offices, in which case the effective date is Sept. 1, 2007.

Section 6.025
House Bill (HB) 1010 repeals this section relating to Overlapping Appraisal Districts and joint procedures. Effective Jan. 1, 2008.

The Karnes County Appraisal District is responsible for, and only for, properties within the county boundaries of Karnes County, regardless of Karnes County School Districts extending into adjacent counties. Those properties are appraised by the Appraisal Districts of the counties in which they are located.

PERFORMANCE ANALYSIS:

Performance Analysis – the equalized values from the previous tax year are analyzed with ratio studies of the current market to determine the appraisal accuracy and appraisal uniformity overall, and by market area, within property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* of the International Association of Assessing Officers. Mean, median, and weighted ratios are calculated for properties in reporting categories to measure the level of appraisal accuracy. The median ratio is calculated in each reappraised category to indicate the level of appraisal accuracy by property reporting category. In 2027, this analysis will be used to develop the starting point for establishing the level and accuracy of appraisal performance. Likewise, in 2028, this analysis will be used to develop the starting point for establishing the level and accuracy of appraisal performance. In 2027 and 2028, any reporting category that may have been previously excluded from reappraisal due to lack of data will be readdressed. When sufficient market data is discovered and verified the category will be tested and analyzed to arrive at an indication of uniformity or equity of existing appraisals.

ANALYSIS OF AVAILABLE RESOURCES:

Budget requirements for staffing for tax year 2026 are included in the 2026 budget, as adopted by the Board of Directors of the Karnes County Appraisal District. This reappraisal plan may be adjusted as needed to reflect the available staffing in tax year 2026 and anticipated staffing for tax year 2027. Budget restraints can impact the cycle of real property re-inspection and personal property on-site review that can be accomplished in the 2027-2028-time period.

The Board of Directors of the Karnes Appraisal District has contracted with Pritchard & Abbott, Inc. to provide personnel and expertise towards the completion of all the field work, data analysis, and taxpayer protest portions of the all categories of real, personal, mineral, industrial, utility, and industrial personal properties within the District.

Existing appraisal practices, which are continued from year to year, are identified and methods utilized to keep these practices current. Real property appraisal value tables are tested against verified sales data to ensure they represent current market data. Personal property values are evaluated and analyzed based on renditions, prior year documentation, and inspections. The Comptroller's Guide is utilized to appraise new and/or undocumented personal property and for verification purposes.

Information Systems (IS) support is detailed and system upgrades are scheduled. Existing maps and data requirements are updated the week after the end of each quarter. Pictometry aerial photography will be utilized in the reappraisal for both years.

PLANNING AND ORGANIZATION:

A calendar of key events with critical completion dates is prepared for each area of work. This calendar identifies key events for appraisal, clerical, customer service, and information systems. A calendar is prepared for tax years 2027 and 2028. Production standards for field activities are calculated and incorporated in the planning and scheduling process.

The projected dates incorporated into the calendar may be adjusted within the overall plan due to unforeseen changes in staffing, budgetary constraints, weather, and or reevaluation of the priorities of the projects within the plan.

Periodic and concurrent examination of production standards, goals, and progress in the plan may very well require adjustments to the on-going plan or to the plan for the succeeding year(s). The Appraisal District staff, Chief Appraiser, and the field staff provided by Pritchard and Abbott, Inc., will work together closely to identify issues that may affect the successful completion of the on-going plan and to resolve them.

MASS APPRAISAL SYSTEM & PROCESSES:

Computer Assisted Mass Appraisal (CAMA) system revisions are completed by the Information Systems Software Provider. System revisions and procedures are performed by the provider. Karnes County Appraisal District contracts with the firm of Pritchard & Abbott, Inc. for these services.

Real Property Valuation

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

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

Land schedules are updated using current market data (sales) and then tested with ratio study tools. Value schedules are developed and tested on a pilot basis with ratio study tools.

Personal Property Valuation

Valuation procedures are reviewed, tested and modified as necessary. The latest edition of the Comptroller's Guide is utilized and adjusted as necessary, in the appraisal of personal property in the District as well as "in house" schedules and depreciation tables. Physical inspections of personal property are carried out in conjunction with the field inspections according to the overall reappraisal plan. Appraisers make every effort to visit or contact all new businesses and any others that may be tasked for rechecks required by the District each year.

Noticing Process

25.19 appraisal notice forms are provided by the ISS Provider. The Provider reviews and edits for updates and changes required by legislative mandates.
The District publishes information about the notices and how to protest in the local newspaper. The District makes available the latest copy of the Comptroller's pamphlet *Property Taxpayer's Remedies.*

Hearing Process

Protest hearing scheduling for informal and formal Appraisal Review Board hearings is reviewed and updated as required. Standards of documentation are reviewed and amended as required. The Appraisal District hearing documentation is reviewed and updated to reflect the current valuation process and requirements. ARB members are required to attend training provided by the Comptroller's office.

DATA COLLECTION REQUIREMENTS:

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

New Construction/Demolition

New construction field and office review procedures are identified and revised as required. Sources of building permits are confirmed. Municipal and county offices provide, as available, notification of utility hookups, septic system instillation, development permits, demolition orders, etc.

Remodeling

Properties with extensive improvement remodeling are identified and field inspections are scheduled to update property characteristic data. . County Clerk records provide indications of properties that may be undergoing enhancement through Deeds of Trust, Mechanics Liens, etc.

Re-inspection of Problematic Market Areas

Market Areas are areas within the Appraisal District where values are considered consistent or in relative harmony among individual properties, an area where physical, economic, governmental and social forces and other influences (i.e. demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs) have similar influences on property values. The effect on values may be real and quantifiable, or may be perceived. In either case, the market area is the first basis for market analysis.

Real property market areas (neighborhoods), by property classification, are tested for consistently low or high sales ratios and/or high coefficients of dispersion. Market areas that fail any or all of these tests are determined to be problematic. Field inspections are scheduled to verify and/or correct property characteristic data. Additional sales data is researched and verified.

Re-inspection of the Universe of Properties

The International Association of Assessing Officers' *Standard on Mass Appraisal of Real Property,* specifies that the universe of properties should be re-inspected on a cycle of 3 years. The re-inspection includes physically viewing the property when possible, photographing (if possible), and verifying the accuracy of the existing data. The field appraiser has an appraisal card of each property to be inspected and makes notes of changes, depreciation, remodeling, additions, etc. The annual re-inspection requirements for tax years 2027 and 2028 are identified and scheduled in the written reappraisal plan.

Verification of Sales Data and Property Characteristics

Sales information must be verified and property characteristic data contemporaneous with the date of sale captured. The sales ratio analysis requires that the sales record must accurately reflect the property appraised in order that statistical analysis results will be valid and therefore be an accurate example of the universe of properties to which any adjustments will be applied. The conditions of each sale are investigated and confirmed, to the greatest extent possible, to determine its applicability to the overall market analysis. Properties exhibiting atypically high or low sales ratios (outliers) are especially scrutinized with reference to the Texas Property Tax Code definition of Market Value, Sec. 1.04(7), and may be excluded from the general market analysis if

the transaction conditions do not correspond to the aforementioned definition of Market Value.

PILOT STUDY BY TAX YEAR:

New and/or revised mass appraisal models are tested each tax year. Ratio studies, by market category, are conducted on proposed values each tax year. Proposed values on each category are tested for accuracy and reliability. Actual test results are compared with anticipated results and those models not performing satisfactorily are refined and retested. The procedures used for model specification and calibration are in compliance with USPAP, STANDARD RULE 6. The appraisal model used to determine property value is listed as follows.

1. Market Value of Residential Property =
   Replacement Cost New x Total Percent Good + Depreciated Additive Values+ Land Value

   (Adjusted by Market Indicators as determined by Sales Data, as available)

2. Market Value of Commercial Property =
   Replacement Cost New x Total Percent Good + Depreciated Additive Values+ Land Value

   (Adjusted by Market Indicators as determined by Sales Data, as available)

3. Market Value of Manufactured Housing =
   Replacement Cost New x Total Percent Good + Depreciated Additive Values

4. Market Value of Commercial Personal Property =
   Units x (Price/Unit of Inventory) + Units x (Price/Unit of FFE x Percent Good) + Additive Values
   (Verified and adjusted by yearly Personal Property Renditions)

5. Market Value of Vacant Lots or Acreage =
   Units x Price/Unit
   (As determined by Market Transactions)

6. 1-d-1 Special Use Valuation (Ag Value) =
   Units x Value per Acre of Agricultural Use
   (As determined by Net Income per Acre/State Mandated Cap Rate)

VALUATION BY TAX YEAR:

Using market analysis of comparable sales and locally tested cost data (if available), valuation models (Value per Square Foot Schedules) are specified and calibrated in compliance with supplemental standards from the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practice. The calculated values are tested for accuracy and uniformity using ratio studies. Performance standards are those as established by the *IAAO Standard on Ratio Studies*. Property values in all market categories are analyzed and updated as necessary each reappraisal year.

In order to evaluate the accuracy of the schedule values, property sales information is collected throughout the year. Each property buyer receives a sales letter along with any other necessary forms as soon as the CAD office updates the ownership in the appraisal records. When the sales letter is returned, the sale amount and any other pertinent information are recorded within that parcel's sales records. Information is gathered also from real estate offices, other appraisers, other appraisal districts, and state reviewers. All credible information is included in the sales records and confirmation is attempted through additional sales letters (to buyers and sellers as necessary) or other personal contact. Given that the State of Texas is a non-disclosure state, and that the information needed by the Appraisal District is often confidential in nature, the market analysis performed is limited by the availability of pertinent and complete data, including sales prices, sales conditions and circumstances, income and expense data, etc. As discussed, hereafter, each sale is initially considered (assumed) to be a market transaction unless otherwise proved. The resulting conclusions from the market analysis are therefore limited by those assumptions. The Mass Appraisal conducted yearly by the Karnes CAD also can claim the Jurisdiction Exemption (USPAP) due to the limited scope and purpose of the appraisal, and considering the guidelines of the Texas Property Tax Code.

Each sale is analyzed to determine the conditions of the sale. All sales included in the study must be a "market value" transaction, as defined in the Texas Property Tax Code, Section 1.04(7), and quoted earlier in this manual. Any sale determined to not be an "arm's length" transaction is then omitted from the final study. Several criteria are also considered when determining if each sales price needs any adjustment including, but not limited to: date of sale (in comparison to date of appraisal), special or unusual financing terms, inclusion of personal property, inclusion of intangible value, and significant variances between the market value and the sale price due to physical changes to the property that cannot be accounted for due to the January 1 target date. If adjustments can be made to the sales price to show a current, "arm's length" value (including time and financing adjustments), the adjusted value is used in the ratio study. Any adjustments to reported sales prices must be discussed, debated, and approved by the appraisal supervisor and the Chief Appraiser.

Sales used to determine real estate value should not include value that can be attributed to personal property or intangible value. For example, if a home sells, and the

transaction included personal property (vehicles, boats, furniture, free-standing appliances, tools, etc.), the value associated with that personal property should be deducted from the reported sales price. The resulting, adjusted sales price is then used in the ratio study. Likewise, commercial property transactions often include both personal property and intangible value. For example, if a motel sells and the buyer purchased the motel franchise along with the real estate, the value of the franchise (being intangible) should be deducted from the sales price before being used in any market study. Determining the value of any intangibles in any transactions can be problematic and will require research into the industry and the local and similar markets. Although suspected by the appraisal staff, and often reported by buyers, adjustment for intangibles requires confirmation from outside sources and the seller.

Financing adjustments occur rarely. Typically, prudent buyers will strive to acquire the most reasonable financing available, and then purchase the property of their choice using that same financing. Atypical financial arrangements usually accompany transactions that would not be considered "arm's length" and would therefore be omitted from the ratio study.

Time adjustments are adjustments to the reported sales price of the property that are made when and if it can be proven that the general market trend in an area is changing over a given time period. While relatively simple to calculate in the abstract, time adjustments are extremely difficult to quantify without substantial data, especially in small, rural markets. If a typical property transfers more than one time in a given time period (ideally no more than 1 year), each time being an arms-length transaction, with typical financing, and without physical changes to the property, the difference in the sales prices can be attributed to the general market. This difference, expressed as a positive or negative percentage per month, can then be applied to other property's sales prices to adjust the price to a standard date, usually January 1st of the appraisal year. For example, a residence may sell for $50,000 on June 1st and then sell again October 1st (5 months later) for $55,000. The difference of $5,000 (or 10% of the original sales price) is allocated as a market increase of 2% per month. A market Decrease is calculated in the same way. If this was an arms-length transaction of a typical property, that same percentage of increase or decrease can be used on other sales to adjust their sales prices to the January 1 target date.

A statistical analysis of each class of property is conducted using the available, credible, and adjusted sales information. Within each class of property, the appraisal district looks for not only an acceptable median value, but also a reasonable COD. Each of these values is considered when determining whether to adjust a class schedule, and by how much. The sample size of each class analysis is also a major consideration. Classes that exhibit little or slow activity are allowed a larger variance due to the fact that minimal data sets (small samples) may tend to give incomplete analysis or biased results for an entire statistical population.

Once a median value indicates that a particular property type or class needs adjustment, and the COD value reflects a consistent result, schedule values are recalculated to produce a revised analysis. The resulting median ratio should indicate that the adjusted appraised values of property more closely matches the current market value, as tested by the sales used in the analysis. The appraised values of all properties, sold and unsold, within that type or class are then recalculated, using the increase or decrease indicated by the ratio study, and submitted for notification.

A similar process is used to determine whether any neighborhood factors are needed by analyzing sales within a specific area (market segments) in comparison to the overall general market. These areas could be neighborhoods, cities, school districts or any other definable area within the appraisal district that displays market trends or values differing from the trends or values derived from the market as a whole. Any significant and quantifiable differences then need to be addressed with economic adjustments to the properties within the pertinent area.

The main market segment (market area) is Karnes County in general and as a whole. All analysis and subsequent value adjustments are applied to this market segment. Other market segments (sub sets of the County general market) have been identified in previous studies and continue to be tested against the general market annually. The individual market segments currently tested are:

- Karnes County (in general)
- City of Kenedy
- Karnes Heights Sub-Division
- Commercial sites along US 181 and TX 72

Depending on the results of the annual analysis, this list may expand or decrease as distinct market segments become (or fail to be) evident.

Ratio Study Procedures

I. Collect and Post Sales Data
   A. Solicit sales information from all new property owners through sales letters and/or personal contact
   B. Collect sales information from outside appraisers and from fee appraisals presented
   C. Utilize sales information from Comptroller's office.
   D. Post sales information to the sales database
      1. Record actual sale price
      2. Note unusual financing
      3. Note non-arm length participants
      4. Adjust sales price for inclusion of personal property or intangible value
      5. Initiate frozen characteristics/partial sale codes if necessary
         a) Imminent construction/renovation can bias any later analysis by including values not part of the original transaction

b) Sale including only a portion of the property described can also produce skewed results

II. Preliminary Analysis
- A. Run sales analysis (by type, group, or class) which includes any and all sales collected to date
- B. Note median result and COD
- C. Examine each sale included
  1. Compare sale ratio to median result
  2. Ratios substantially higher or lower than the median result (outliers) are singled out for further, in-depth analysis
     - a) Note seller-financial institutions, known real estate opportunists, probates, known persons who finance their own transactions
     - b) Note buyer-financial institutions, known real estate opportunists, and re-location companies
     - c) Examine deed records to confirm "arm's length" violations not evident from examination of buyer and seller
       - i) Contract for deed
       - ii) Assumption of previous note
       - iii) Atypical financing
     - d) Re-inspect properties to rule out any physical differences from the current property records
     - e) Outlier sales that cannot be excluded or adjusted due to the reasons given above are nonetheless included in the subsequent analysis
- D. Adjust original data set
  1. Omit sales that are not arm's length
  2. Adjust sales values for time or financing if necessary and possible
  3. Adjust appraisal values for physical differences if applicable

III. Secondary Analysis
- A. Run sales analysis (by type, group, or class) utilizing information from preliminary analysis
- B. Note median result and COD
  1. Median value may or may not change significantly
  2. COD value should improve
- C. Note sample size
  1. Compare number of sales within the class to the perceived number of total properties within the class
  2. From experience and discussion among the appraisal staff, determine whether any median result different from 1.00 is significant
- D. Attempt to increase sample size—if necessary
  1. Utilize time adjustments if determinable
  2. Keep in mind marketing time for local market and any trends
  3. Be careful to not include more sales just for sales sake

4. Changing markets and trends cannot be reflected in sales that are too old without accurate time adjustments.

E. Apply results of analysis to current records
   1. Any class whose median value is not significantly different from 1.00 does not require adjustment.
   2. Any class whose median value indicates that an adjustment is necessary should be analyzed
      a) Look at typical depreciation (age/condition) for that class as reflected in the sales analysis
      b) Calculate increase necessary to raise the individual ratios to produce a median result of 1.00 (keeping in mind that because of depreciation, the percentage increase required is going to be necessarily larger than the difference in percentage points needed to reach a 1.00 result)
      c) Apply the calculated increase to the database
   3. Repeat procedure for all classes determined to need adjustment
F. Run analysis again to test results

IV. Examine results to identify neighborhoods that need adjustment
   A. As individual sales are examined, note any areas/neighborhoods/sub-divisions that consistently show ratios significantly different from the median result
   B. Run analysis excluding the area in question
   C. Run analysis including only the neighborhood in question
   D. Check for significant variance between the two results
   E. Apply neighborhood factor to correct variance

VALUE DEFENSE:

Evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal and formal appraisal review board hearings is specified and tested. Taxpayers have the option to present their concerns informally to the chief appraiser, or by appointment with the Pritchard & Abbott staff. Should an understanding not be reached informally, the taxpayer may present their arguments to the Appraisal Review board as a formal appeal. The appraisal staff provided by Pritchard & Abbott Inc. defends the position of the District and assists the chief appraiser in formal hearings before the ARB. The Appraisal District has the burden of proof for the value as notified. Evidence for further consideration by the District or the ARB should be presented by the taxpayer.

THE WRITTEN REAPPRAISAL PLAN FOR KARNES COUNTY APPRAISAL DISTRICT 2027-2028

PLANNING A REAPPRAISAL

Variation in reappraisal requirements requires Karnes County Appraisal District to carefully plan its work before beginning any reappraisal. Although the planning process may vary in specifics it should involve five (5) basic steps:

1. Assess current performance.
2. Set reappraisal goals.
3. Assess available resources and determine needs.
4. Re-evaluate goals and adjust as necessary.
5. Develop a work plan.

STEPS IN A REAPPRAISAL

The International Association of Assessing Officers (IAAO) textbook, Property Appraisal and Assessment Administration, lists ten steps in a reappraisal. These steps outline those activities performed by Karnes County Appraisal District for the completion of periodic reappraisals. Activities are listed below in the order in which they occur:

1. Performance Analysis:
   - Ratio study
   - Equity of existing values
   - Consistency of values with market activity

2. Revaluation Decision:
   - Statutory – at least once every three years
   - Administrative policy

3. Analysis of Available Resources:
   - Staffing
   - Budget
   - Existing practices
   - Information system support
   - Existing data and maps

4. Planning and Organization
   - Target completion dates
   - Identify performance objectives
   - Specific action plans and schedules

Identify critical activities with completion dates
Set production standards for field activities

5. Mass Appraisal System:
   Forms and procedures revised as necessary
   CAMA (computer assisted mass appraisal) system revisions as required

6. Conduct Pilot Study
   Test new/revised appraisal methods as applicable
   Conduct ratio studies
   Determine if values are accurate and reliable

7. Data Collection
   Building permits and other sources of new construction
   Check properties that have undergone remodeling
   Re-inspection of problematic properties
   Re-inspection of universe of properties on a cyclic basis

8. Valuation:
   Market analysis (based on ratio studies)
   Schedules development
   Application of revised schedules
   Calculation of preliminary values
   Tests of values for accuracy and uniformity

9. Value Defense:
   Prepare and deliver notices of value to property owners
   Hold informal hearings
   Schedule and hold formal appeal hearings

Note—the burden of proof (evidence) of notified market values and equity is the responsibility of the appraisal district.

Karnes County Appraisal District
Residential, Commercial, Rural, and Personal Property
2027-2028 Reappraisal Plan

Pursuant to Section 25.18 of the Texas Property Tax Code, the Karnes County Appraisal District has established the following reappraisal plan to provide for the reappraisal of all property within the district at least once every three (3) years. The plan establishes a two-fold approach:

1. **Three-Year Cycle (Physical Inspections):** The CAD is divided into three areas. Each year, all real residential, rural, business personal and commercial property (Categories A, B, C, D, E, F, L, M, O, X) within one of the areas will be reappraised, regardless of any ratio study/report findings. These areas are identified as follows:

    a. All of Karnes County: (2026) Implementation of revised Residential and Commercial Value Schedules.

    b. Area 1: (2027) All Real and Business Personal Property in Kenedy ISD, Pettus ISD, and Pawnee ISD.

    c. Area 2: (2028) All Real and Business Personal Property in Falls City ISD, Nordheim ISD, and Runge ISD.

    d. Area 3: (2026) All Real and Business Personal Property in Karnes City ISD, and Nixon/Smiley ISD

    e. These yearly plans are designed to be flexible within the overall reappraisal plan. The specific workload within and between plan years may need to be adjusted to provide for complete and accurate reappraisals. Each of the cycle years will include those properties needing an inspection based on other methods of identification, such as new construction, new ownership, changing market area, new development, etc. as discussed in the section concerning data collection requirements.

    Note: all income producing personal property within the CAD is Appraised on an annual basis, by means of renditions or inspections regardless of its location.

2. **Annual Market Analysis:** In addition to the three-year cycle stated above, ratio studies shall be performed annually to determine areas or categories of properties within the CAD which need to be reappraised within the current year based on sales ratios. Any areas or categories whose ratios are above or below statutory requirements shall be reappraised in the current year regardless of the area in which they are located.

This two-fold approach will insure not only that all residential and commercial property within the CAD is physically reappraised at least once every three years, but also that all other categories within the CAD are statistically reviewed annually so that the appraisal district stays current with respect to market value in those areas where residential and/or commercial property values appear to be changing rapidly.

- Each inspection of property will identify and verify or update the relevant characteristics of the property. These characteristics include but are not limited to: Name and address of owner, physical address, legal description, multiple ownerships, and any other means of differentiating the property.

- Market area analysis involves the examination of how physical, economic, governmental and social forces and other influences affect property values. The effects of these forces are also used to identify, classify, and stratify comparable properties into smaller, manageable subsets of the universe of properties known as market areas. In an area of very stable and homogenous values, the market area may be the entire district. More often, the market areas are School Districts, Cities, or Sub-divisions. If adequate and accurate information is available, further delineation is possible. During the reappraisal, field appraisers are directed to be complete and consistent in the gathering of information on each property's characteristics. Once recorded, these characteristics can be used to sort market data (sales) to determine whether these characteristics have any effect on the value of properties within the market area. Further, the degree of effect that these characteristics have on the value can be used to define and delineate the market areas, one from another. In homogeneous markets, the market areas will be fairly consistent over time. Once a determination has been made to recognize a distinct market area that area may change both qualitatively and quantitatively from year to year; therefore, it is imperative that reappraisal data collection be complete and accurate as possible.

- Each property inspection should verify the existing data for each property as recorded on the property appraisal card, record, or worksheet. Any changes from the existing records must be noted. These changes in data, or characteristics, of the property would include any and all things that may have an effect on property value. These characteristics include but are not limited

to Site Value (location, footage, topography, agricultural usage, etc.), Improvement description (construction method, quality, condition, perceived and actual age, configuration, additives, etc.), and Economic or Legal limitations. These characteristics form the basis of differentiation and value development in our mass appraisal Value Schedules.

- Each property has an appraisal record or "card". This record shows the current characteristics and their contributory value to the property value as a whole. During reappraisal, these are the characteristics that must be verified, modified, and updated so that not only the property be described fully and valued completely, the market data from sale transactions can be analyzed to verify, modify, and update the characteristics Value Schedules.

- Market Analysis is the method used to test the appraisal results. If all pertinent and relevant characteristics are recorded and valued, and the resulting appraisal value is not statistically consistent with a sample of market value indicators (market sales, construction cost analysis, income stream valuation), then the contributory values of one or more of the characteristics should be modified or adjusted.

Organization

Field inspections are carried out by the Pritchard & Abbott field appraisers as assigned by the Pritchard & Abbott supervisor, with input and direction from the Chief Appraiser. The field appraiser physically inspects areas required by the reappraisal cycle, checks all existing data, works building permits, takes photographs of improvements, (if possible), draws plans of new improvements for entry into computer, and rechecks any property on which a question or problem has arisen. Other duties may be required and will be executed upon direction of the Chief Appraiser or supervisor.

Data entry of field work notes and sketches will be performed by Appraisal District staff with assistance from Pritchard & Abbott, Inc. Appraisal staff as needed. Assistance is also provided for ownership/deed issues, and other general Appraisal District daily tasks.

The Pritchard & Abbott staff performs the market analysis. Sales data is gathered throughout the year by District staff from deed records, sales confirmation letters from property owners, and other sources. The market data is analyzed, sales data is confirmed, outliers are identified, existing classification system is reviewed, market schedules are reviewed and updated as necessary, and final market schedules are presented to the chief appraiser for discussion and application to the universe of properties.

2027 Reappraisal Schedule

August to December: Plan and begin the field inspections necessary during this preparatory year. Mail out 2-year agricultural survey (August)
Begin reclassification of residential and commercial buildings with new classification schedule

Mid December 2025: Begin planning sales ratio studies for all areas within the District
Gather current sales data from sales confirmation letters, deed records, and other sources.

January to March: Mail homestead applications, special-use valuation applications, personal property renditions, exemption applications, and any other required forms. Keep a working list for those forms that are completed and returned.
Complete field inspections.
Begin running sales ratio reports. Compare with CAD values and sales information.
Identify necessary schedule adjustments

March through April: Continue running sales ratio reports.
Refine sales analysis and mass appraisal schedules.
Statistically test schedules
Complete data entry of all reappraisal and maintenance changes
Assist field appraisers with reappraisal functions as needed.
Finalize all field work and data collection activities.
Execute mass appraisal/maintenance activities are required.
Prepare for mailing Notices of Value.
Mail "homestead" Notices of Value by April 1 or as soon as practicable
Work personal property renditions
Prepare and deliver certified estimates of value

May through June: Mail Notices of Value
Hold informal hearings: owner inquiries, protest, questions
ARB Formal Hearings

July: ARB Hearings, Process, enter ARB changes, mail ARB orders
Notify other Districts if ARB order affects overlapping district.
ARB approves appraisal records
Chief Appraiser certifies values to taxing units.

As needed throughout the year:	Resolve any outstanding protests by scheduling ARB formal hearings or informally if possible

2028 Reappraisal Schedule

The same timetable and duties apply in each year. Additionally, the field appraiser staff shall physically inspect all property in as described in Area Three (3). The Chief Appraiser and KCAD staff shall continue to complete the same duties and general reappraisal steps as outlined for 2027.

Karnes County Appraisal District Staff Providing Mass Appraisal Assistance

Brian J. Stahl, RPA TDLR #71587
Linda K. Yanta, RPA TDLR #69847
Dotti K. Jones, Class II TDLR #75493
Sandra Garza, Deed Clerk
James Leasman, Reception

Pritchard and Abbott Inc. Staff Providing Mass Appraisal Assistance

Troy Draper, RPA TDLR #67954
Robert Ckodre, RPA TDLR #72451
Ross Leserio, RPA TDLR #76047
Angelica Harless, TDLR #77368

Additional personnel will be provided as needed by Pritchard and Abbott for field, technical, MIUP appraisal support, informal and formal hearing support.

RESOLUTION
KARNES COUNTY APPRAISAL DISTRICT
2027-2028 REAPPRAISAL PLAN

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE KARNES COUNTY APPRAISAL DISTRICT TO ENSURE ADHERENCE WITH GENERALLY ACCEPTED APPRAISAL PRACTICES ACCORDING TO THE TEXAS PROPERTY TAX CODE SECTION 6.05 (i).

WHEREAS, passage of S.B.1652 relating to the administration of ad Valorem taxation amended the Property Tax Code, §6.05 by adding Subsection (i) to read as follows:

(i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of § 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of the hearing. Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date.

NOW, THEREFORE, BE IT RESOLVED, that the written reappraisal plan attached to this Resolution is hereby approved as the official Karnes County Appraisal District reappraisal plan for years 2027 and 2028; and

BE IT FURTHER RESOLVED, that the Karnes County Appraisal District office shall implement this written plan as it reappraises properties located within Karnes County during the years 2027 and 2028; and

NOW THEREFORE, **BE IT RESOLVED,** by the Karnes County Appraisal District Board of Directors that the Chief Appraiser is hereby instructed to carry out the provisions of the resolution.

PASSED AND APPROVED this 13th day of May, 2026

Board of Directors, Chairman
Karnes County Appraisal District

Board of Directors, Secretary
Karnes County Appraisal District