

NUECES COUNTY APPRAISAL DISTRICT 2015 ANNUAL REPORT





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Nueces County Appraisal District
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Executive Summary

The Nueces County Appraisal District has prepared and published this Annual Report pursuant to IAAO's Standards on Public Relations; to provide our taxing units, citizens, and taxpayers with a better understanding of the District's responsibilities and reappraisal activities, as well as the accomplishments of the District over the course of the past year. This report provides several details: a general introduction, budgetary and financial matters, then an overview of the accomplishments of the appraisal district over the 2014 and 2015 appraisal year, as well as a summary of the goals and results of the appraisal process, results of testing performed by the Texas Comptroller of Public Accounts Property Tax Assistance Division, and the results of the appeals process and certified values as reported to the taxing entities.



Appraisal of Property

Reappraisal and inspections for 2014-2015 were performed using a combination of field visits and office review of recent Pictometry aerial photography. NCAD uses the Pictometry system in conjunction with the District's GIS mapping system to perform this task. NCAD updates aerials every two years and requires an on-site visit at least once every three years. When changes to the property's footprint are found on the aerial photographs, the appraisers then visit the property to take actual measurements and inspect the property for other factors required in the appraisal.



Notices of Appraised Value

The 2015 Notices of Appraised Value for residential, vacant land and commercial properties were mailed on April 1, 2015. The remainder of the properties, personal property, industrial, utility properties, and mineral accounts were mailed on May 25, 2015. It should be noted that the NCAD Board of Directors made a decision to mail a notice to all property owners regardless of value, ownership, or exemption changes.

Real Estate Market / Economy

Over the past 5 years, the Nueces County area housing market had success not seen since 2007 when the so-called housing bubble busted. This was aided by the 30-year fixed-rate mortgages dropping to 3.88 percent in 2012. Median sales price of a home sold in the Coastal Bend was \$153,155 in 2015, an increase of 7.1 percent from 2011 prices. The average unemployment rate for the county has been in the 6.2% range. This has led to increases in the job market which is an off-shoot of the Eagle Ford Shale Growth. Based on interviews with real estate professionals, data from the Coastal Bend Multiple Listing Service and other sales sources such as deed filings and sales letters, the number of real estate transactions is beginning to increase with the monthly inventory now declining to around 6.2. Values are beginning to move upward and the rental segment is seeing an increase in both single family home and commercial units as demand rises.

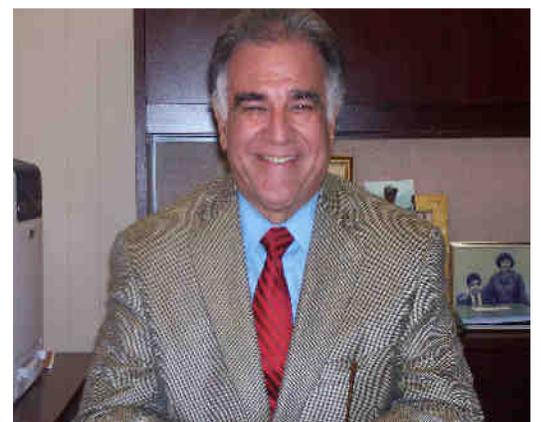


MISSION STATEMENT

The mission of the Nueces County Appraisal District is to discover, list and appraise all property located within the boundaries of the district in an accurate, ethical and impartial manner in an effort to estimate the market value of each property and achieve uniformity and equity between classes of properties. This will be accomplished by maintaining the highest standards in appraisal practices and law, guided by the goals of providing quality service to both taxpayers and taxing entities and by developing personnel who are professional and knowledgeable.

Conclusion

The Nueces County Appraisal District has gone through a reorganization process under its new Chief Appraiser, who is working to re-establish transparency and professionalism within the organization. A change has transpired not only with the staff and the technology, but within the Appraisal District's offices this past year as renovations and life safety upgrades brought about a facelift to the District. In addition, the District has a Board of Directors that ensures the District has a clean and modern workplace, reasonable salaries, state-of-the-art tools and open channels of communication so that the job can be done with the highest degree of professionalism and fairness.





Introduction

The Nueces County Appraisal District is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A Board of Directors, who is appointed or elected by the taxing units within the boundaries of Nueces County, constitute the district's governing body. The Chief Appraiser, appointed by the Board of Directors, is the Chief Appraiser and Executive Director of the Appraisal District.

The Nueces County Appraisal District is responsible for local tax appraisal and exemption administration for thirty-eight jurisdictions or taxing units in the county. Each taxing unit, such as the county, city, school district and special district sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems and other public services. Property appraisals are estimated values by the appraisal district and are used by the taxing units to distribute the annual tax burden. The taxes are generally based on each property's market value. The Nueces County Appraisal District also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled persons, disabled veterans and charitable or religious organizations.

Taxing Jurisdictions Served by NCAD

The Nueces County Appraisal District is responsible for appraising all properties for each taxing unit that has territory located within the 847 square miles of Nueces County. The 38 taxing entities with territory in the appraisal district include:

Nueces County	Corpus Christi ISD	Fire District #3
Rural Farm to Market	Tuloso-Midway ISD	Fire District #4
Hospital District	West Oso ISD	Fire District #5
Del Mar College	Flour Bluff ISD	Fire District #6
City of Corpus Christi	Agua Dulce ISD	Drainage District #2
City of Robstown	Calallen ISD	Drainage District #3
City of Bishop	Port Aransas ISD	South Texas Water Authority
City of Agua Dulce	Bishop ISD	Nueces Cty Water District #4
City of Driscoll	Robstown ISD	Banquete Water District #5
City of Port Aransas	Driscoll ISD	Kennedy Cty Ground W Dist.
City of Aransas Pass	Aransas Pass ISD	Port Authority
London ISD	Fire District #1	Downtown Management Dist
Banquete ISD	Fire District #2	

Governance

Board of Directors

The Nueces County Appraisal District is governed by a 9 member Board of Directors who is appointed by the incorporated cities and towns, the school district, and the county. The primary responsibilities of the Board of Directors are to:

- Establish the District's office;
- Adopt the District's operating budget;
- Contract for necessary services;
- Hire the Chief Appraiser;
- Appoint the Appraisal Review Board;
- Provide advice and consent to the Chief Appraiser concerning the appointment of an agricultural advisory board;
- Make general policies on the appraisal district's operations- and biennially develop a written plan for the periodic reappraisal of all property within the District's boundaries.

To be eligible to serve on the Board of Directors for NCAD, a person must have resided within the boundaries of the county for at least two years prior to their appointment. Their terms are not staggered and there are no legal limits to the number of terms a board member can serve.

The 2015 Board Members include:

Jerry Garcia – Chairman
Luis A. Elizondo – Vice Chairman
Joe Guzman – Secretary
Greg Smith
Robert Adler
Janette Hallmark Arche
Gene Bouligny
John Valls
Kevin Kieschnick – Ex Officio Member



Chief Appraiser

The Chief Appraiser is the chief administrator of the Appraisal District, and is appointed and serves at the pleasure of the board of directors. The role of the Chief Appraiser involves the coordination and administration of the appraisal district office within the framework of the philosophy and objectives established by board policy, consistent with statutes and standards of regulatory agencies, and in accordance with administrative regulations and procedures.

Budgetary and Financial Matters

The 2015 budget is \$6,536,717, which represents a 0.05% DECREASE in funding compared to the 2014 budget, however, \$74,239 (for the purchase of computers, scanners, software upgrades and other IT needs required related to our 3rd Floor renovation) will be funded by fund balance.

Appraisal Review Board

The Nueces County Appraisal Review Board consists of nine members appointed by the Board of Directors of the Nueces County Appraisal District. Members of the Appraisal Review Board (ARB) serve two-year staggered terms and are limited by law to serving three consecutive two-year terms. To be eligible to serve on the ARB, an individual must be a resident of the district and must have resided in the district for at least two years. Board members are also required to attend annual training classes to be eligible to serve in any given year.

The responsibilities of the appraisal review board include:

- Determining protests initiated by property owners;
- Determining challenges initiated by taxing units;
- Correcting clerical errors in the appraisal records and the appraisal rolls;
- Acting on motions to correct appraisal rolls under Section 25.25 of the Property Tax Code;
- Determining whether exemptions and special appraisals are improperly granted;
- Taking other actions or making other determinations authorized by the Property Tax Code.

Agricultural Advisory Board

The Agricultural Advisory Board for NCAD is a three member board appointed by the Chief Appraiser with the advice and consent of the Board of Directors. The responsibility of the Agricultural Advisory Board is to advise the Chief Appraiser on the valuation and use of land that may be designated for open-space agricultural or timber land within the District and to assist in determining typical practices and standards used in various farming operations. This board serves at the will of the Chief Appraiser.

Agricultural Advisory Board Members include:

Donald Havelka
Jason P. Ott

James Dodson
Chris Yaklin

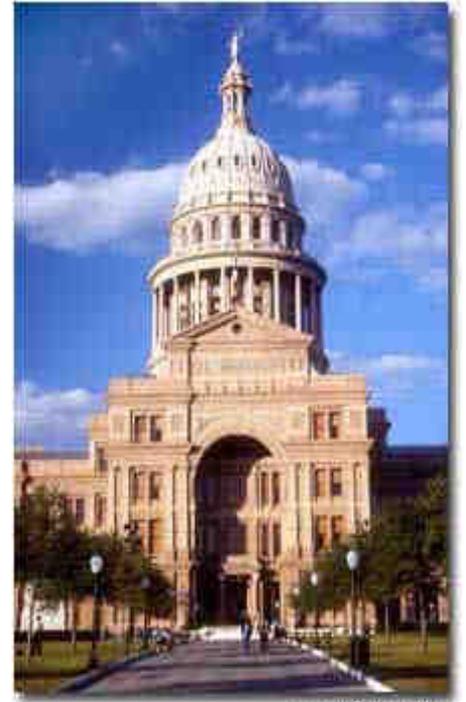
Shawn Reininger
Wayne Miller



Legislative Changes

The 2015, 84th Texas Legislature produced many pieces of legislation which affect the operation of appraisal districts as well as taxpayer exemptions and rights. Below is a list of some of the most important changes:

- SB 1 – Increased the school homestead exemption by \$10,000.
- SB 1760 – Changes various sections of the property tax code for interest rate refunds, setting tax rates and more.
- SB 1468 - Communication with administrative law judge concerning ARB members
- SB 273 – Regulations on carrying handguns on premises of government entities.
- HB 992 – Revised the homestead exemptions for surviving spouses of totally disabled veterans.
- HB 1463 – Cancelling an over-65 homestead exemption.
- HB 2083 – Selecting comparable properties in a protest or appeal based on unequal appraisal.
- HB 685 – Fulfilling public information requests with a referral to posted website.
- HB 3532 – Allows agent of a appraisal district to see certain confidential exemption information.
- SB 849 – Revises requirements for binding arbitration of an ARB order.



George Oxford Miller

The appraisal district has a detailed list of property tax law changes enacted by the 84th Legislature in its office which is available for inspection. For the 2017 legislative session there are several pieces of legislation involving ad valorem taxation and appraised value.

Goals and Objectives

Market Analysis

The PACS CAMA (Computer Assisted Mass Appraisal) system used by Nueces County Appraisal District has the capability to perform regression analysis as a n appraisal method. This is a system which allows the computer to select comparable sales for each residential property and make appropriate adjustments to arrive at a value estimate via the market approach. The District had used a variant of the cost approach to estimate the value of each property and the sales approach. By using both methods, a more accurate appraisal estimate can be developed. To use this approach more efficiently, a significant number of sales are required. Our Market Analysis department continues to analyze and use sales data to determine market trends. It is this team's responsibility to make an intensive search for sales information and to verify each sale for validity and accuracy. This information will then be used to perform the market approach to value using the PACS Neighborhood Profiling system.

On-line Appeals

All appraisal districts in Texas have been offering on-line appeals since 2013. During the 2015 protest period, Nueces County Appraisal District had the ability for taxpayers to file their valuation appeals online, for the 3th year. This appeal process is considerably more efficient than the other methods of appeal (informal in-office visits and formal ARB hearings). The on-line appeal process allows a taxpayer to file the appeal, submit evidence, and accept or reject any offer made by the District. If an agreement cannot be reached, a formal appeal is automatically set up. The District received and processed over 764 on-line appeals for 2015.

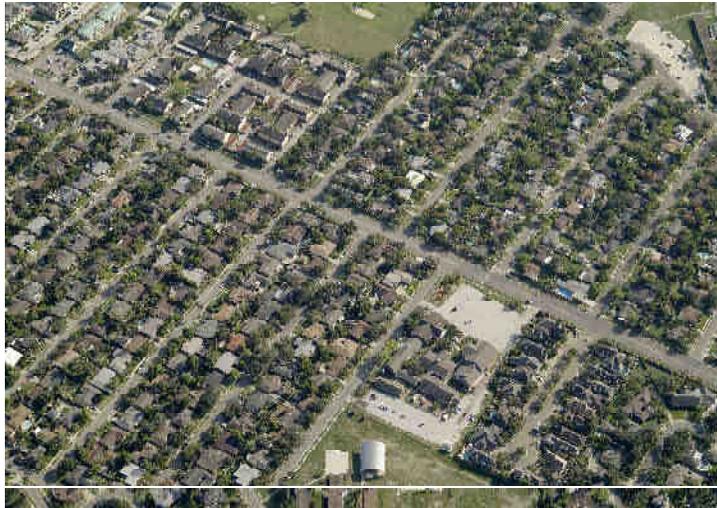
Geographic Information Systems

The GIS Department develops and maintains the county parcel data using the application ArcMap, developed by Environmental Systems Research Institute, Inc. In addition we have a complete archive of county maps dating back to 1982. Our datasets include, and are not limited to parcels with a unique identifier called tax ids or geo numbers, lot numbers, blocks, subdivisions, city limit lines, streets, zoning codes, school districts, water districts, drainage districts, emergency services districts, abstracts, elevations, zip codes, submerged state tracts, neighborhoods, land tables, improvement classes, state codes and property sales. The printed or viewable maps in ArcReader or PACS are complete with north orientation, a scale bar, a measurement tool, identifying features and in compliance with Comptroller Rule 9.3002. They are sometimes published to fit the needs of a specific party displaying a variety of data including market and geocoded aerial imagery.



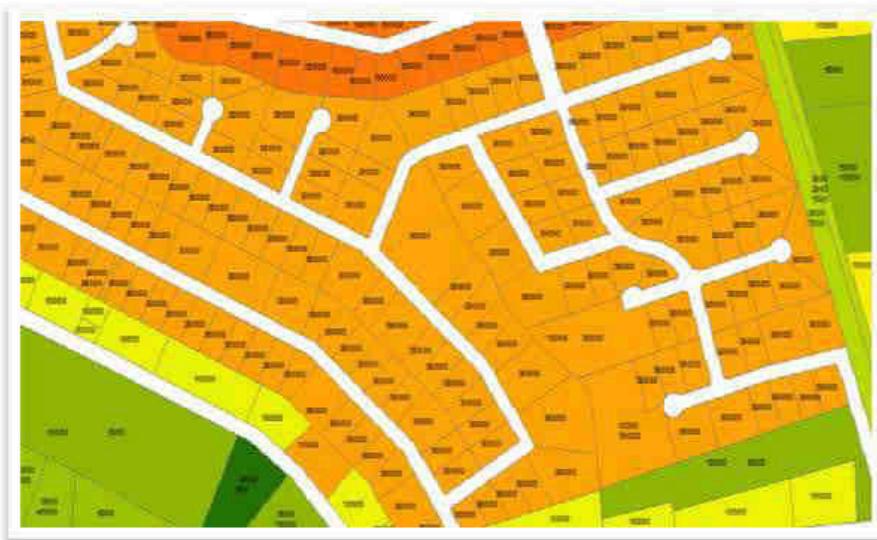
Appraisal Inspections

Each time the District has new aerial photos flown (Pictometry), the appraisers perform the inspections for the following year using this information. This allows the appraiser to view all properties from the front and rear of the home and facilitate a better understanding of what the property consists of than by using a “from the road” inspection only. NCAD has the Pictometry photos flown as near to the January 1 appraisal date as possible on a biennial basis.



Land Schedules

The Nueces County Appraisal District uses GIS maps and ARCREADER to create its land schedules. To do this, the GIS Department has developed a system which color codes each property based on its assigned value on per acre or per square foot basis. Anyone viewing the maps can see if the values in an area are uniform. Any properties appraised outside the norms show up as a different color. Each property also shows the price per unit amount on the map so that comparable areas can be checked to see if values are similar in like neighborhoods.



Appraisal Process

Beginning in August of 2014, the District's appraisers began the Inspections process for tax year 2015. This process utilized the work of 38 real and personal property appraisers over a period of eight months. The discovery process also utilized a combination of on-site inspections and the District's Pictometry software.

Each real property was checked to determine if the improvements had changed in size or condition, if the improvement classification was correct, if any new improvements had been added or if any improvements had been removed, and if any adjustments were necessary due to influences from outside the subject property.

Unimproved real estate was also inspected. Appraisers were responsible for determining the amount of frontage on roads, configuration, whether easements (utility, drainage, etc.) had an influence on the property and if the property was affected by negative or positive influences outside the subject property.

Personal property (furniture, fixtures, machinery, equipment and inventory) at local businesses was inspected via an on-site visit. Inspections enabled the appraiser to meet with owners and discuss business trends, issues affecting their personal property and the rendition process. It also allowed the appraiser to see the quality, quantity and condition of the personal property.

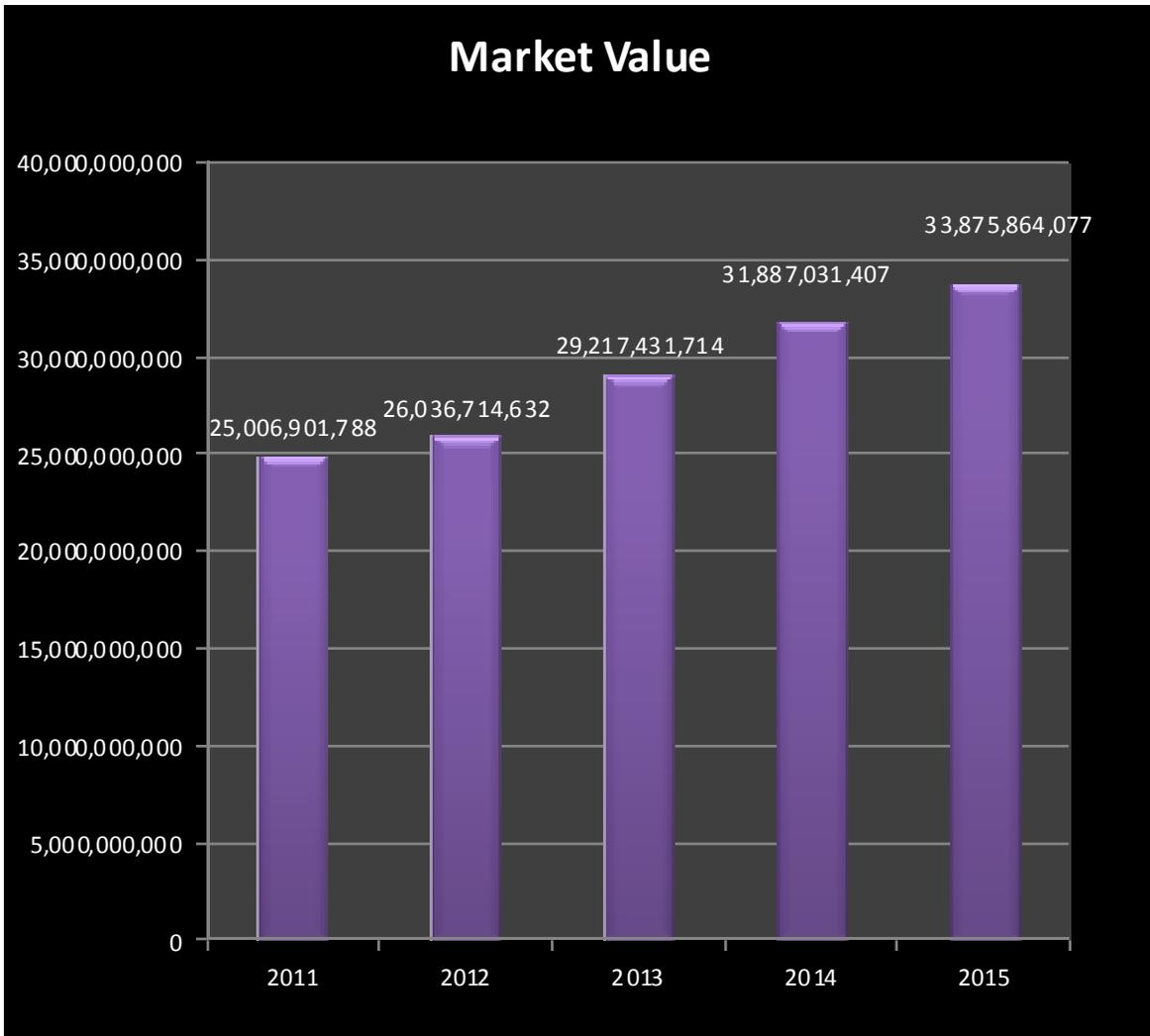
In all, the District's appraisers were instrumental in appraising approximately 180,000 property accounts. This amounted to an average of 4,800 accounts per appraiser.

Beginning in early March, 2015, the Market Analyst Team along with the Department Heads began the process of determining how much, if any, a adjustment would be necessary to the District's schedules. This was accomplished by running sales ratio reports comparing 2014 values against sales occurring during the appraisal year. These reports were prepared for all classes of property together and separately, appraisal district-wide and by school district. It was determined that property sales throughout the District had moved slightly upward in relation to District appraisals and the residential schedules were changed. Over the appraisal year, the District's appraisers reviewed land values and compared them with known sales. Changes to these values were made as necessary.

Commercial properties are typically appraised using a combination of the Marshall and Swift costing service and the income approach. This service is a nationally recognized appraisal service specializing in commercial properties and is integrated within the District's CAMA (computer assisted mass appraisal) system. Once the improvements of a property are coded for use, type construction, size, amenities and condition, the CAMA system calculates an estimate of value which is adjusted for location and date of appraisal. Each year, the appraiser reviews the appraisal to determine if any of the variables have changed, if any significant condition factors need adjustment or if any outside influences should be considered. If necessary, changes are made and a new value calculated. As the District is able to confirm income and expense data for various types of commercial properties, market rent and expense schedules are used to perform a direct capitalization income approach to value. When applicable, the District also uses a "Gross Rent Multiplier" version of the income approach. Industrial properties (including improvements and personal property) and minerals are inspected annually and appraised by the District's contracted industrial appraisers. These accounts consist of 2,794 industrial and utility properties and 9,230 mineral properties. TY Pickett, Inc. is recognized as one of the largest industrial appraisal firms in Texas who specialize in appraisals for tax purposes. Each year, appraisers from TY Pickett inspect all of the industrial properties and many commercial properties with specialized equipment and inventory. This firm is also responsible for the appraisal of natural resources (minerals) and utilities.

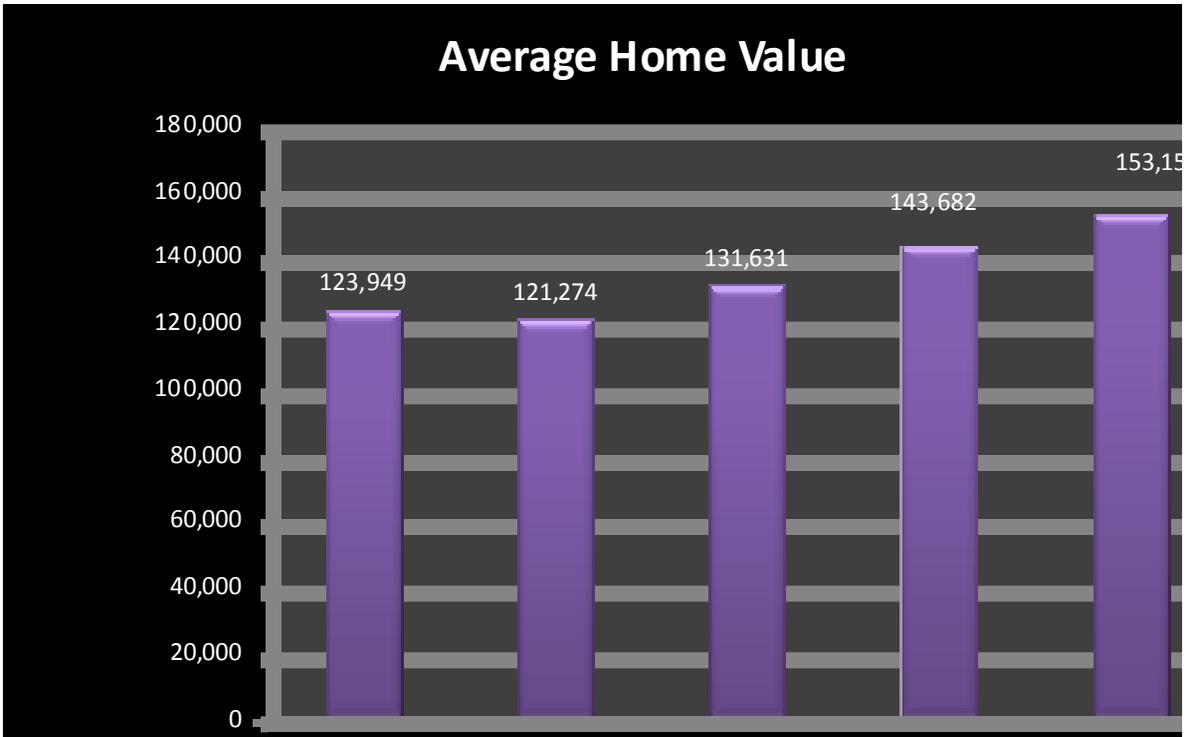


Value Comparisons and Statistics



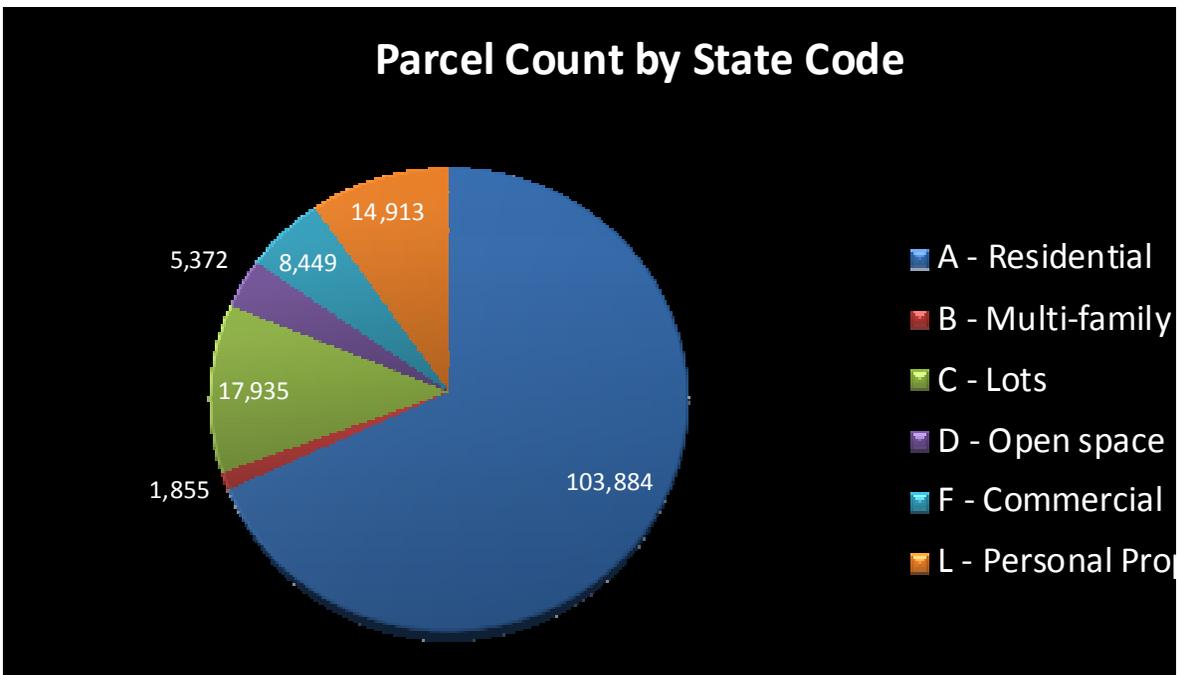
The values remained static for real properties and increases were seen in industrial properties. Over the five year period, overall values increased. This was primarily due to increased value of industrial properties and new construction.

Average Homestead Market Value



Looking at the average prices of residential homesteads shows a steady increase over the last 4 years.

COUNTY PARCEL COMPARISON



Exemption Data

The Nueces County Appraisal District is responsible for the administration of all property tax exemptions granted countywide as described in Chapter 11 of the Property Tax Code. The most common exemptions granted by the taxing units in Nueces County pertain to homesteads. These exemptions include mandated homestead exemptions,



optional homestead exemptions, over-65 exemptions, disability Exemptions, disabled veteran exemptions and 100% disabled veteran exemptions. Over the past several years, the Nueces County Appraisal District has embarked on a process to ensure the accuracy of its exemption rolls. District employees mail out letters to all current recipients of exemptions asking for current documentation of their disability or right to the exemption. The primary reason for the removal of an exemption is the inability of the applicant to provide current information.

Death records are reviewed on a regular basis to determine if any owners receiving the exemption are no longer living. If not included in the District's files, information pertaining to the spouse is requested. District employees also work with the various cities to determine if utilities are being paid by the owners of the property. This process has allowed the District to determine if further questions should be asked as to who is occupying the property. Although not causing a significant reduction in the number of Over-65 exemptions, the District's records reflect more accurate information.

Approximately 5% of the exemptions are removed and in some cases for up to five of the previous years where the original applicants are no longer alive or have moved and heirs were receiving the exemptions erroneously.

Beginning in 2010, the Texas Legislature and the Texas voters approved an exemption for veterans who are 100% disabled or a percentage disabled and unemployable. This exemption is a total exemption which is applicable to all taxing entities. This exemption is in addition to the original disabled veteran exemption which allows up to \$12,000 in valuation to be exempted. The District currently has a total of 924 properties totally exempted for 100% disabled veterans and 3,825 partially disabled veteran exemptions. District employees are also reviewing the files to ensure that all homestead exemptions have proper documentation in the District's files. Beginning in 2011, the Legislature passed a law requiring that applicants must provide a current driver's license or other State of Texas identification with an address that is the same as the property being applied for. The applicant must also show a vehicle registration with that address. Other forms of documentation can be provided if the applicant does not drive or own a vehicle. Although somewhat more time consuming for the taxpayer, the applications are more reliable.

2015 NUECES COUNTY TAX RATES

Jurisdiction	Code #	Discount	M & O	I & S	Total	Homestead	O/65	Disabled	Frz Yr
Nueces County	01	N	0.268652	0.044276	0.312928	20%-\$5,000Min	62,500	62,500	2004
Farm to Mkt Rd	02	N	0.003967	0.000000	0.003967	20%-5,000Min+3,000	62,500	62,500	2004
Hospital	04	N	0.129746	0.000000	0.129746	20%-5,000Min	62,500	62,500	
City of Agua Dulce	10	N	0.000000	0.501857	0.501857	20%-5,000Min	60,000	60,000	
City of Bishop	12	Y	0.235153	0.549704	0.784857	0	5,000	3,000	
City of Corpus Christi	13	N	0.376806	0.229458	0.606264	10%-5,000Min	50,000	50,000	2004
City of Driscoll	14	N	0.232513	0.540722	0.773235	0	0	0	
City of Port Aransas	15	N	0.211042	0.064624	0.275666	20%-5,000Min	20,000	20,000	2004
City of Robstown	16	N	0.556271	0.454482	1.010753	0	10,000	0	
Agua Dulce ISD	20	N	1.152100	0.198500	1.350600	25,000	10,000	10,000	2007*
Banquete ISD	21	N	1.170000	0.343200	1.513200	25,000	10,000	10,000	2007*
Bishop CISD	22	N	1.039240	0.367116	1.406356	20%-5,000Min+25,000	20,900	10,000	2007*
Calallen ISD	23	N	1.170000	0.205500	1.375500	25,000	65,000	65,000	2007*
Corpus Christi ISD	24	N	1.060050	0.177300	1.237350	25,000	60,000	60,000	2007*
Del Mar College District	25	N	0.210549	0.037524	0.248073	5,000	50,000	50,000	2004
Driscoll ISD	26	N	1.040000	0.585000	1.625000	25,000	10,000	10,000	2007*
Flour Bluff ISD	27	N	1.040000	0.114350	1.154350	25,000	50,000	50,000	2007*
London ISD	28	Y	0.965703	0.390075	1.355778	25,000	10,000	10,000	2007*
Port Aransas ISD	29	N	1.033350	0.084700	1.118050	25,000	20,000	20,000	2007*
Robstown ISD	30	N	1.170000	0.480000	1.650000	25,000	10,000	10,000	2007*
Tuloso-Midway ISD	32	N	1.105600	0.271800	1.377400	20%-5,000Min+25,000	10,000	10,000	2007*
West Oso ISD	33	N	1.170000	0.280000	1.450000	25,000	10,000	10,000	2007*
NC Emergency Serv Dist # 2	42	N	0.026150	0.003850	0.030000	5,000	13,000	13,000	
NC Emergency Serv Dist # 3	43	N	0.030000	0.000000	0.030000	20%-5,000Min	60,000	60,000	
NC Emergency Serv Dist # 5	45	N	0.030000	0.000000	0.030000	20%-5,000Min	60,000	60,000	
NC Emergency Serv Dist # 6	46	N	0.075411	0.000000	0.075411	0	0	0	
STWA	50	N	0.061890	0.021360	0.083250	1% or 5,000 Min	12,000	12,000	
Drainage #2	52	N	0.314900	0.018845	0.333745	20%-5,000Min	60,000	60,000	
Drainage #3	53	N	0.193000	0.000000	0.193000	20%-5,000Min	60,000	60,000	
NC Emergency Serv Dist # 1	61	N	0.083420	0.016580	0.100000	20%-5,000Min	60,000	60,000	
NC Emergency Serv Dist # 4	64	N	0.100000	0.000000	0.100000	5,000	10,000	10,000	
Downtown Management Dist - Land	78	N	0.300000	0.000000	0.300000	0	0	0	
Downtown Management Dist - Improvements	79	N	0.070000	0.000000	0.070000	0	0	0	

Jurisdictions may be added or deleted from combinations below depending on location of property

NC+13,24,25	2.538328
NC+13,25,32,61	2.778378
NC+13,25,27,42	2.485328
NC+13,25,33	2.750978
NC+16,30,52	3.441139
NC+12,22,43,46,50,53	3.019515
NC+15,29	1.840357
NC+21A,50,64	2.143091
NC+21B, 64	2.059841
NC+28	1.802419
NC+14,26,43,46,50	3.033537
NC+13,23,25,61	2.776478
NC+10,20,45,50	2.412348

**NC* includes: Nueces County (01), Farm to Market (02), Hospital (04).

* School Tax Ceilings adjusted in 2015 due to increase in Homestead exemption amount

<p>NO PERSON CAN RECEIVE BOTH AN OVER 65 AND DISABLED PERSON EXEMPTION. DISABLED VETERANS EXEMPTIONS APPLY ACCORDING TO THE PERCENTAGE OF DISABILITY</p> <p>10% - 29%= 5,000 30% - 49%= 7,500 50% - 69%= 10,000 70% - 100%= 12,000</p> <p>A DISABLED VETERAN WHO MEETS THE 100% DISABILITY REQUIREMENTS ACCORDING TO HB3613 WILL BE EXEMPT FROM ALL PROPERTY TAXES ON THEIR HOMESTEAD</p> <p>WIDOW(ER) WHOSE SPOUSE DIED WHILE IN ACTIVE DUTY IS ALLOWED A 5,000 EXEMPTION. ANY DISABLED VETERAN WHO IS 65 OR OVER IS ENTITLED TO A FULL 12,000 EXEMPTION. ANY DISABLED VETERAN WITH LOSS OF LIMBS, LOSS OF SIGHT OR PARAPLEGIC IS ALLOWED A FULL 12,000 EXEMPTION.</p>
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The appraisal district currently has five employees who handle exemptions. These employees have been trained to be courteous to our customers and to be knowledgeable and fair in their processing of all exemptions. They also understand that their duty is to follow the Property Tax Code to grant any exemptions properly applied for and to deny any that do not qualify.

All entities in Nueces County grant the various homestead related exemptions mandated by law. The County of Nueces, all of the schools and all of the cities also grant the optional percentage exemptions and allow for the over-65 and disability tax ceiling (freeze) as allowed by the Property Tax Code. The tax ceilings prohibit increased taxes on the homestead on existing improvements. Significant new structures or additions to existing improvements will cause the ceiling to be recalculated for the subsequent tax year.



Notice and Equalization Process

On April 1, 2015, the Nueces County Appraisal District mailed all real property appraisal notices to the taxpayers of Nueces County. Industrial and mineral notices were mailed on May 5, 2015 and personal property notices were mailed on May 5, 2015. Approximately 180,000 parcels were mailed to property owners and those with multiple parcels were mailed together. This was done using a combination of a mail service for real property, TY Pickett for mineral and industrial properties and in house printing and mailing for personal property accounts. The appeal deadline for real property was May 31st. Due to the fact that personal property is given until April 15 to file their renditions and that a mandatory extension of 30 days and a “good cause” extension of an additional 15 days are available, personal property notices cannot be mailed until after May 15. The appeal deadline for personal property was June 15, 2015. Many of the industrial properties include inventory and other personal property which again require a later notice. The appeal deadline for industrial and mineral properties was June 15, 2015. All of the notice deadlines set by the property tax code were met by the District.

The District began hearing informal appeals on May 1st. Informal appeals allow the property owner an opportunity to meet with an appraisal district appraiser and discuss the appraisal on their property. The owner is given an opportunity to present evidence to the appraiser and to see how their property was appraised. If an error is discovered or if evidence is presented that changes the opinion of value, the appraiser has the ability to make a change to the appraisal. If an agreement is reached between

the appraiser and the property owner, a Settlement Waiver of Protest is signed and the appeal process is complete. If an agreement is not reached, a formal appeal is signed and the property owner is scheduled for a hearing with the Appraisal Review Board.

Nueces County Appraisal District began providing for on-line appraisal appeals on real property accounts beginning in 2011. Using this process, the taxpayer is given an opportunity to file a protest and present evidence to the District for review. The information is then considered and an offer is made to settle or the taxpayer is informed that no change will be made and the account will be scheduled for a formal hearing with the Appraisal Review Board. When compared with the informal hearing process, the results were very similar but did allow the taxpayer a method to be heard without having to physically come to the District's office.

The Nueces County Appraisal Review Board (ARB) is a quasi-judicial body appointed by the Nueces County Appraisal District Board of Directors. Members are charged with the function of providing an impartial review of the appraisal records prepared by the District. The ARB is empowered to hear taxpayer appeals through scheduled hearings for taxpayers who dispute the appraised value, the equality of their appraisal with similar properties, the application of exemptions and special appraisals and any other action of the District that may affect taxpayer liability. The ARB members do not work for the appraisal district but rather, arbitrate between the taxpayer and the District. The 9 members of the ARB are appointed by the District's Board of Directors and serve two year terms.

The 2015 Appraisal Review Board Members consisted of the following members:

Candy Skelton – Chairman
Sue Williams – Secretary
Betsy Churgai
Hector Morales
Cefe Valenzuela
Floyd Anderson
Cater Tate

The 2015 Appraisal Review Board Auxiliary Members consisted of the following members:

Raquel Zepeda
Manuel Garza
Alicia G. Benavidez
Larry Oliva rez
Reynaldo Dominquez
Rosa G. Vasquez

Formal appeals for tax year 2015 began on May 16, 2016. A total of 52 hearing days were scheduled and 16,619 protests were file with the ARB.

Public Service

The Nueces County Appraisal District strives to provide the taxpayers and taxing entities of Nueces County an open and honest appraisal district. This has been accomplished in part, by providing timely and important press releases to the media regarding appraisal operations and deadlines as well as through the use of the District's website. www.ncadistrict.com.

The Chief Appraiser, Ramiro "Ronnie" Canales has volunteered on numerous occasions to speak on various topics pertaining to the operations of the district as well as topics of interest to citizens, service organizations and public entities. Topics have included: general operations, exemptions, protest procedures and new legislation. This has given these citizens an opportunity to put a "face" with the appraisal district and an opportunity to ask questions one-on-one.

The District maintains a close relationship to the entities and makes a point to be present at meetings when requested. During the entities budget process, the District sends the estimated appraisal information as early as possible while also doing its best to ensure accurate estimates.

As soon as the appraisal roll is certified, the information is presented to the Tax Assessor-Collector so that tax rates can be calculated. The Chief Appraiser also makes him available to answer any questions from the Tax Assessor-Collector or from the entities concerning the roll.

The District's website provides appraisal information on all properties, a historical listing of values over 10 years, exemption information and ownership. The site also provides:

- General Information which includes contact information, members of the Board of Directors, Appraisal Review Board and Agricultural Committee members and hours of operation.
- News, which includes exemption information, agricultural use valuation information, personal property requirements and the low income housing capitalization rate.
- Frequently Asked Questions include many of the questions that are asked of our employees and give quick access to many of the answers to those questions.

The site also provides:

- Taxing unit information;
- A listing of subdivisions and abstracts;
- A link to the current Texas Property Tax Code;
- Current tax rate and exemption information;
- A link to the Tax Office payment information;
- Agricultural open-space and timber guidelines;
- The District's current budget and reappraisal plan;
- Forms;

The website is reviewed several times annually to update information as necessary and to add items that might be of interest to users.

Accomplishments

2015–2016 was a busy time for the NCAD. Several changes put in place by the Legislature were implemented, due to the hard work of the District’s employees, we met all requirements.

2015 Methods and Assistance Program

In 2009, the Texas Legislature enacted a new law that required the Comptroller of Public Accounts to review appraisal districts every two years. The reviews inspect the governance, taxpayer assistance, operating procedures and the appraisal standard, procedures and methodology of each appraisal district. Mandatory requirements for each appraisal district include having up-to-date appraisal maps, having property inspections match the District’s records, requiring written procedures, being able to reproduce the values using the procedures and appraisal records and the ability to timely produce requested data. The requirements were made up of over 200 items. Nueces County Appraisal District met the requirements in all categories. We are currently undergoing a new MAPS review for 2017.

Property Value Study

The property tax code requires that the Comptroller conduct a study in each appraisal district to determine the degree of uniformity of and the median level of appraisals within each major property category once every two years. Due to the fact that the Nueces County Appraisal District has been able to maintain the required ratios and uniformity, this study is currently being performed every other year. The most recent PVS was for 2014 and the District met all criteria.

2014 Property Value Study CAD Summary Worksheet

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Category	Number of Ratios **	2014 CAD Rept. Appraised Value	Median Level of Appr.	Coefficient of Dispersion	% Ratios with Ratio 10% of Median	% Ratios with Ratio 25% of Median	Price-Related Differential
A. Single-Family Residences	1,177	12,938,251,739	1.00	6.68	77.82	98.94	1.00
B. Multi-Family Residences	40	1,069,689,351	*	*	*	*	*
C1. Vacant Lots	122	737,812,774	*	*	*	*	*
C2. Colonial lots	0	128,837	*	*	*	*	*
D2. Farm/Ranch Imp.	0	5,484,242	*	*	*	*	*
E. Rural non-qualified	55	260,712,428	*	*	*	*	*
F1. Commercial Real	251	3,987,670,458	.99	16.94	46.61	76.09	1.02
F2. Industrial Real	0	3,571,969,938	*	*	*	*	*
G. Oil, Gas, Minerals	130	209,122,492	1.04	14.06	46.92	88.46	1.02
J. Utilities	29	566,048,532	.91	8.19	73.86	89.65	.99
L1. Commercial Personal	169	2,107,242,407	1.03	8.15	73.96	94.09	1.04
L2. Industrial Personal	0	1,493,037,379	*	*	*	*	*
M. Other Personal	0	48,019,640	*	*	*	*	*
O. Residential Inventory	0	69,295,272	*	*	*	*	*
S. Special Inventory	0	116,171,028	*	*	*	*	*
Overall	1,973	27,765,662,433	1.00	9.70	67.71	90.92	1.07

* Not Calculated - Need a minimum of 5 ratios from either (A) categories representing at least 25% of total CAD category value or (B) 5 ISDs or half the ISDs in the CAD, whichever is less.
 ** Statistical measures may not be reliable when the sample is small.

Educational Requirements

The Nueces County Appraisal District has an appraisal staff that is licensed by the Texas Department of Licensing and Regulation and currently has 20 appraisers designated as Registered Professional Appraisers. New licensing requirements mandate that these appraisers maintain a minimum of 30 hours of training in any given year and must be recertified every two years on the anniversary date of their original certification. The District's Board of Directors has ensured that the budget includes adequate funding to allow for the required training. In addition, requirements contained in the Methods and Assistance Program audit call for additional training of non-licensed employees in the area of public service and records retention. All of these requirements have been met or exceeded.

Deadlines

The Texas Property Tax Code requires that several important deadlines be met each year. These include: 1) Preliminary estimates; 2) Appraisal Review Board approval of the appraisal roll; and 3) Certification of the appraisal roll. NCAD has met all deadlines in each of the past 10 years.

Exemptions

NCAD is responsible for the administration of all property tax exemptions provided for in the property tax code. In an attempt to maintain accuracy in this effort, the District has revised its procedures to review these exemptions on a periodic schedule. The District has made an effort to work with the various city water and sewer departments in an effort to determine if homestead exemptions are being granted to homes being rented or that do not qualify for other reasons. This effort is being made to help ensure the accuracy of the appraisal roll.

Open-Space Special Appraisal

In 2015, the District worked in conjunction with the Agricultural Committee to determine guidelines for the various types of agricultural uses of property in Nueces County. These guidelines were used to question property owners who had applied for the special appraisal in previous years but did not fall into the guideline criteria. The property tax code allows the Chief Appraiser to require new applications when warranted and properties that were outside the guidelines were required to reapply. In most cases this was done voluntarily by the property owner.

For more information, visit our Website:

www.ncadistrict.com

The screenshot shows the homepage of the Nueces County Appraisal District. At the top is a navigation menu with links: Home, Organization, Forms, Tax Information, Resources & Downloads, Property Search, Online Appeals (E-File), and Contact Us. The main content area features a large 'Welcome to Nueces County Appraisal District' heading, a photo of the Chief Appraiser, Ramiro 'Ronnie' Canales, and a collage of local scenic images. Below this is a paragraph explaining the district's role in appraising property and listing the taxing entities. The entities are organized into three columns: City of Agua Dulce, City of Aransas Pass, City of Banquete, City of Bishop, City of Corpus Christi, City of Driscoll, City of Port Aransas, City of Robstown, Del Mar Jr College, Hospital District, Nueces County, Agua Dulce ISD, Aransas Pass ISD, Banquete ISD, Bishop ISD, Calallen ISD, Corpus Christi ISD, Driscoll ISD, Flour Bluff ISD, London ISD, Port Aransas ISD, Robstown ISD, Tuloso-Midway ISD, West Oso ISD, Drainage #2 Robstown, Drainage #3 Bishop, Nueces County Water District #4, Banquete Water District #5, Emergency Services District #1, Emergency Services District #2, Emergency Services District #3, Emergency Services District #4, Emergency Services District #5, Emergency Services District #6, Farm to Market Road, South Texas Water Authority, Kenedy County Groundwater Conservation District. On the right side, there is a sidebar with 'Office Information' (Chief Appraiser, Office Hours, Physical Address, Phone Number), 'Employment Opportunities', and 'Holidays' (listing dates from Jan 1 to Dec 25, 2015). At the bottom right, there are links for 'Find us on facebook' and 'How are we doing?' with a 'Site Map' link.

For additional copies write:

Iris Cordova, Administrative Clerk
Nueces County Appraisal District
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