

Terrell County Appraisal District

2023 Annual Report

Introduction

The Terrell County Appraisal District is a political subdivision of the State of Texas. The Texas Constitution, Texas Property Tax Code and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the operations of the appraisal district.

Mission

The mission of the Terrell County Appraisal District is to discover, list and appraise property as accurately, ethically and impartially as possible in order to estimate the market value of all property within the boundaries of Terrell County for ad valorem tax purposes. The district must make sure that each taxpayer is given the same consideration, information and assistance as the next. This is achieved by administering the laws of the Texas property tax system and by operating under the standards of:

- The Texas Comptroller's Property Tax Assistance Division (PTAD);
- The International Association of Assessing Officers (IAAO); and
- The Uniform Standards of Professional Appraisal Practice (USPAP).

Governance

The Terrell County Appraisal District was created by the Texas Legislature. TCAD appraises property and prepares assessments of real and personal property taxes for three (3) taxing entities in Terrell County, Texas. Through an inter-local contract, Terrell County Independent School District oversees the operations of the appraisal district. The Tax Assessor/Collector for the school district performs the duties of the Chief Appraiser of the appraisal district (§6.05(b), Texas Property Tax Code). The primary responsibilities of the school district board of trustees are:

- Establish and furnish the appraisal district office;
- Hire a Tax Assessor/Collector who becomes Chief Appraiser (§6.05 Texas Property Tax Code)

The appraisal district is governed by a five member board of directors appointed by the voting taxing entities in the county (4 elected (2 county commissioners and 2 school board members plus one at-large member). The CAD board of directors primary responsibilities are:

- Adopt an operating budget
- Provide advice and consent to the chief appraiser concerning the appointment of an Agricultural Advisory Board;
- Make general policies on the appraisal district operations; and
- Biannually approve a written plan for the periodic appraisal of all property within the appraisal district's boundaries.
- Contract for necessary services;

To be eligible to serve on the board of directors, a person must have resided within the boundaries of Terrell County for at least two years prior to being selected. Directors can serve without term limitations. The chief appraiser must be licensed as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulation (TDLR). The chief appraiser is the chief administrator of the appraisal district and may employ and compensate professional, clerical, and other personnel as provided by the budget. All personnel within the office are school employees. The chief appraiser may delegate authority to his employees.

Members of the Appraisal Review Board (ARB) are appointed by the local administrative district judge and serve two year staggered terms. ARB members are limited to three consecutive two year terms. The ARB settles value disputes between taxpayers and the appraisal district. In 2023, Terrell County Appraisal District mailed 6,969 notices of appraised value (Thos. Y. Pickett mailed notices for properties subject to their appraisal) and the ARB heard and/or resolved 18 formal appeals although there were zero formal ARB Orders Issued. All cases were resolved informally via Settlement & Waiver or withdrawal by the property owners or agents.

The Agricultural Advisory Board is appointed by the chief appraiser with the advice and consent of the board of directors and serves to advise the chief appraiser in determining typical practices and standards for agricultural activities in Terrell County.

Taxing Jurisdictions

The Terrell County Appraisal District is responsible for discovering and appraising all properties, real estate and personal property, for each taxing jurisdiction located in Terrell County. Terrell County comprises 2,362 square miles and consists of the following taxing entities:

Terrell County

Terrell County ISD

Terrell County Groundwater Conservation District

Property Categories

The Terrell County Appraisal Districts contains approximately 7,065 parcels appraised locally consisting of residential, commercial, mobile home and business personal properties. Approximately 10,724 industrial, utility and mineral (oil and gas) properties are appraised by Thos. Y. Pickett & Co., Inc.

Following is a summary of the 2023 appraisals by category:

| Category | Number of Parcels | Market Value |
|---|--------------------------|---------------------|
| A Single Family Residential | 569 | 28,477,817 |
| B Multi-family | 1 | 70,028 |
| C1 Vacant Lots | 231 | 774,198 |
| C2 Vacant Commercial Lots | 75 | 463,703 |
| C4 Commercial Acreage | 19 | 65,100 |
| D1 Qualified Open Space Land | 5,302 | 432,588,417 |
| D2 Improvements on Qualified Open Space Land | 126 | 1,636,303 |
| E Non-Qualified Open Space and Improvements | 854 | 10,534,162 |
| F1 Commercial Real | 85 | 2,536,035 |
| F2 Industrial Real | 2 | 1,591,280 |
| G Minerals | 8,302 | 75,480,027 |
| J Utilities | 100 | 126,666,820 |
| L1 Commercial Personal | 39 | 903,130 |
| L2 Industrial Personal | 60 | 5,892,680 |
| M Mobile Homes | 23 | 366,538 |
| O Residential Inventory | 3 | 82,894 |
| X Totally Exempt Property | 2,357 | 2,950,344 |
| Totals | 18,148 | 691,079,476 |

2023 Appraisal Operation Summary

In 2023, the Terrell County Appraisal District appraised new property and reappraised existing property in accordance with its written 2023-2024 Reappraisal Plan. 2023 was NOT a year subject to the Comptroller's Property Value Study. However, the appraisal district did receive the semi-annual Methods, Assistance & Practices (MAP) Review conducted by the Comptroller of Public Accounts Property Tax Assistance Division. Preliminary Results of the MAP review are shown below:

**Texas Comptroller of Public Accounts
2022-23 Methods and Assistance Program Review
Terrell County Appraisal District**

This review is conducted in accordance with Tax Code Section 5.102(a) and related Comptroller Rule 9.301. The Comptroller is required by statute to review appraisal district governance, taxpayer assistance, operating procedures and appraisal standards.

| Mandatory Requirements | PASS/FAIL |
|--|------------------|
| Does the appraisal district board of directors, through the chief appraiser, ensure administrative functions are followed in accordance with Chapter 6 of the Texas Property Tax Code | FAIL |
| Does the appraisal district have up-to-date appraisal maps? | PASS |
| Is the implementation of the appraisal district's most recent reappraisal plan current? | PASS |
| Are the appraisal district's appraisal records up-to-date and is the appraisal district following established procedures and practices in the valuation of property? | PASS |
| Are values reproducible using the appraisal district's written procedures and appraisal records? | PASS |

| Appraisal District Activities | RATING |
|--|--------------------------------------|
| Governance | Needs Some Improvement |
| Taxpayer Assistance | Needs Significant Improvement |
| Operating Procedures | Needs Some Improvement |
| Appraisal Standards, Procedures and Methodology | Meets All |

Appraisal District Ratings:

Meets All – The total point score is 100

Meets – The total point score ranges from 90 to less than 100

Needs Some Improvement – The total point score ranges from 85 to less than 90

Needs Significant Improvement – The total point score ranges from 75 to less than 85

Unsatisfactory – The total point score is less than 75

| Review Areas | Total Questions in Review Area (excluding N/A Questions) | Total "Yes" Points | Total Score (Total "Yes" Questions/Total Questions) x 100 |
|--|---|---------------------------|--|
| Governance | 13 | 11 | 85 |
| Taxpayer Assistance | 11 | 9 | 82 |
| Operating Procedures | 16 | 14 | 88 |
| Appraisal Standards, Procedures and Methodology | 19 | 19 | 100 |

Exemption Data

Property owners may qualify for a variety of exemptions as provided by the Texas Property Tax Code.

Residential Homestead

The following chart represents the total exemption amounts granted to homeowners who qualify for this exemption on homes with a maximum of 20 acres.

| | General Homestead | Over 65 | Surviving Spouse over 55 | Disability | 100% Disabled Veterans |
|------------------------|--|---------------------------------|---------------------------------|-------------------|-------------------------------|
| Terrell County | 20% (\$5,000 minimum) | \$30,000 | \$30,000 | None | 100% |
| Terrell County I.S. D. | 20% (\$5,000 minimum) + \$100,000 State | \$15,000 Local + \$10,000 State | \$15,000 Local + \$10,000 State | \$10,000 State | 100% |
| Terrell County GWCD | None | None | None | None | 100% |

For school tax purposes, the over 65, disability, surviving spouse and 100% disabled veteran residential homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead of existing improvements. The tax ceilings are adjusted if new improvements are added to the existing homestead.

Homeowners qualifying for the residential homestead exemption receive a homestead cap that limits the increase of taxable value on the homestead to ten percent per year.

Disabled Veterans

In addition to the residential homestead exemption allowable to disabled veterans with 100% service connected disability, disabled veterans are allowed a general exemption on any property they own based upon the percentage of disability rating determined by the Department of Veteran's Affairs. Current exemptions based on these ratings are:

| Percentage Disability | Exemption Amount |
|-----------------------|------------------|
| 10-29% | \$5,000 |
| 30-49% | \$7,500 |
| 50-69% | \$10,000 |
| 70-100% | \$12,000 |

**** Disabled veterans over age 65 receive the maximum (\$12,000) regardless of disability rating**

2023 Certified Values and Tax Rate Information

| Jurisdiction | Number of Parcels | 2022 Market Value | 2022 Net Taxable Value | 2022 Tax Rate per \$100 |
|--------------------------------|------------------------------|------------------------------|-----------------------------------|------------------------------------|
| Terrell County | 17,790 | \$702,327,254 | \$275,765,291 | .703800 |
| Terrell County ISD | 17,679 | \$670,403,596 | \$252,381,571 | 1.14536 |
| Terrell County GWCD | 17,679 | \$670,403,596 | \$269,148,162 | \$.01300 |

SIGNIFICANT PROPERTY TAX LAW CHANGES

Numerous changes enacted into the tax code during the 88th Texas Legislative Session, will affect Terrell County Appraisal District operationally and financially in 2023 and in future years.