

Titus County Appraisal District 2016 Annual Appraisal Report

Introduction

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

Mission Statement

The main objective and primary purpose of this district is to provide uniform methods to establish fair and uniform equitable market values for all types of properties located within the boundaries of Titus County for ad valorem purposes in a professional, ethical, economical, and courteous manner and to inform local property owners of their entitlement of rights and remedies under the law. The laws and rules can be found in the following guidelines:

- The Property Tax Assistance Division of the Texas State Comptroller's Office
- The International Association of Assessing Officers
- The Uniform Standards of Professional Appraisal Practice
- The Texas Property Tax Code

Governance

The appraisal district is governed by a Board of Directors with the primary responsibilities to:

- Establish the district's office
- Adopt its operating budget
- Contract for necessary services
- Hire the Chief Appraiser
- Appoint the Appraisal Review Board members
- Provide advice and consent concerning the appointment of the agricultural advisory board
- Approve contracts with appraisal firms
- Make and adopt general polices on the operations of the district
- Biennially develop a written plan for the periodic reappraisal of property in the district

To be eligible to serve on the board of directors, a person must have resided within the boundaries of the appraisal district for at least two years prior to their appointment. The board is appointed by the taxing entities in the appraisal district boundaries. The appraisal district boundaries are inclusive of the county boundary lines.

The **Chief Appraiser** is the chief administrator of the appraisal district and is hired by the board of directors.

Appraisal Review Board members are appointed by the Board of Directors to settle value disputes between the property owner and the appraisal district. They serve staggered terms and may serve 3 consecutive terms of 2 years. The Comptroller of Texas approves curricula, provides materials, and supervises a comprehensive course for training and education of the appraisal review board members and issues certificates for each member completing the requirements.

The **Agricultural Advisory Board** is appointed by the Chief Appraiser upon the advice and consent of the board of directors. The board shall advise the Chief Appraiser on the valuation and use of land that may be designated for agricultural use or that may be open space agricultural or timber land within the district. A member of the Agricultural Advisory Board is not entitled to compensation.

Taxing Jurisdictions

The properties in the appraisal district which require appraisals for ad valorem purposes include the following:

Cities:

City of Mount Pleasant
City of Talco
City of Winfield

County jurisdictions:

Titus County
Titus County Hospital District dba Titus Regional
Medical Center
Northeast Texas Community College

Schools:

Chapel Hill ISD
Daingerfield ISD
Harts Bluff ISD
Mount Pleasant ISD
Pewitt ISD
Rivercrest ISD
Winfield ISD

Legislative Changes

Titus Cad responds to all legislative changes that may affect the appraisal district's operations. After the passing of laws records, forms and/or procedures are updated.

During the 2015 Texas Legislative Session, several bills were passed that affect property owners and the general public:

- Homestead exemption amount for school purposes was increased from \$15,000 to \$25,000;
- The surviving spouse of a 100% disabled veteran may continue to receive the exemption that the veteran would have qualified for on the date upon which he/she died;
- Veterans who have a disability rating of less than 100% may qualify for a partial exemption on their homestead provided that the residence was donated to him/her at no cost to the veteran;
- The surviving spouse of partially disabled veteran may qualify for the same percentage of exemption as the deceased veteran provided the spouse has not remarried since the veteran's death and the residence was the residence of the veteran at the time of death and that the residence continues to be the residence of the surviving spouse;

- Over 65 property owners will receive additional notification by certified mail when the appraisal district suspects that property no longer qualifies for a homestead exemption or for open space land valuation (i.e. "ag", timber, or wildlife use appraisals);
- The temporary absence for military service has been expanded to include foreign and domestic service that requires absence from the serviceman's home;
- Regarding the confidentiality of appraisal district records; Home owners filing for a residential homestead exemption may not have to meet the proof of residency requirement if they are:
 - active military members,
 - individuals who hold a driver's license issued under Section 531.1211 of the Transportation Code,
 - Individuals who reside in a facility that provides services related to health, infirmity, or aging
 - Those participating in the address confidentiality program administered by the Texas Attorney General
- The names and addresses, along with other personal information in the possession of the district will be classified as confidential information when a request has been made as authorized by PTC Section 25.025, including:
 - current or former peace officers,
 - county jailers,
 - employees of the Texas Department of Criminal Justice,
 - commissioned security officers,
 - victims of family violence,
 - federal or state judges and their spouses
 - current or former employees of a district attorney, criminal district attorney, or county or municipal attorneys,
 - officers or employees of a community supervision and corrections department,
 - criminal investigators of the United States,
 - police officers or inspectors of the United States Federal Protective Service,
 - current or former United States Attorneys or assistant attorneys and their spouses and children,

- current or former employees of the office of the attorney general who is or was assigned to a division that involved law enforcement,
- medical examiners or persons who perform forensic analysis or testing that is employed by the state or one or more political subdivision of the state,
- current or former members of the United States armed forces who have served in an area that the President of the United States by executive order designated an area in which armed forces of the United States are or have engaged in combat,
- current or former members of the Texas military forces, and
- current and former employees of the Texas Juvenile Justice System.
- Legal descriptions of producing oil/gas interests, including unit names and decimal interests in those units, are considered confidential information and may not be disclosed to the public in any manner as the information from which the ownership interests were derived was received by the district under a promise of confidentiality from the unit's operators.
- Public notice of meetings of the Board of Directors, Appraisal Review Board, and Ag Advisory Board is considered delivered if a notice of the meeting is posted in the public area of the district's office and is posted on the district's website at least seventy-two (72) hours before the commencement of the meeting.

The next legislative session will be held in 2017. Updates will be provided to include that information on bills that have been passed.

- Official electronic communications may be made to the district through:
- Fax to 903-572-5147,
- email to info@titus-cad.org, or
- physical delivery to the district's office at 2404 West Ferguson Road Mount Pleasant Texas 75456
- Telephone 900 572-7939
- Mailing address P. O. Box 528, Mount Pleasant, Texas 75456-0528
- Communications between the district and designated agents will be treated in the same manner as communications between the district and the property owner, provided written authorization for agent's representation can be established.
- A property tax form that requires a signature may be signed by means of an electronically captured handwritten signature.

Property Types Appraised

Titus County appraisal district had 29,330 properties for the 2016 certified appraisal year. The following chart accounts for the various property types, their percentage of parcel count and market value

respectively. 39% of the economic wealth of the county is generated from utilities, local industry, oil and gas production. The majority of the land is rural with agricultural or timber qualified production.

2016 CERTIFIED APPRAISAL YEAR

PTAD CLASSIFICATION	PROPERTY TYPE	PARCEL COUNT	MARKET VALUE	% OF PARCEL COUNT	% OF MARKET VALUE
A	SINGLE FAMILY RESIDENCE	8,029	709,411,159	27.37	21.02
B	MULTI-FAMILY RESIDENCE	123	25,646,238	.42	.76
C	VACANT LOTS	1,322	21,765,934	4.51	.64
D1	QUALIFIED AG LAND	4,611	401,036,937	15.72	11.88
D2	FARM AND RANCH IMPROVEMENTS	1,056	17,355,696	3.6	.51
E	RURAL LAND RESIDENTIAL IMPROVEMENTS	4,016	256,172,565	13.69	7.59
F1	COMMERCIAL REAL	975	237,205,334	3.32	7.03
F2	INDUSTRIAL REAL	108	457,952,892	.37	13.57
G1	OIL AND GAS	2,957	13,459,350	10.08	.4
J	UTILITIES	389	545,256,206	1.33	16.15
L1	COMMERCIAL PERSONAL	1,120	97,636,679	3.82	2.89
L2	INDUSTRIAL PERSONAL	375	291,651,497	1.28	8.64
M1	MANUFACTURED HOUSING	1,317	21,522,752	4.49	.64
O	RESIDENTIAL INVENTORY	186	3,890,639	.63	.12
S	SPECIAL INVENTORY	36	10,904,291	.12	.32
X	EXEMPT	2,710	264,500,774	9.24	7.84
TOTALS		29,330	3,375,368,943	100	100

Appraisal Operation Summary

In compliance with the 2015-2016 Re-appraisal Plan, the real properties located in Region 1 which are north of Interstate 30 along with personal property which require annual re-appraisal were systematically inspected or reviewed using all the tools and mechanism afforded the district. The main focus of the inspection developed around the class, recognized condition, configuration, and all characteristics of the improvements, land, and personal property.

Throughout the district efforts were made to identify, gather, and appraise properties with new construction, locate demolished or removed properties, locate and value manufactured housing, along with continued review of commercial and industrial property.

Properties were adjusted when necessary to reflect the market trend which was recognized by the sales data gathered and analyzed for the county. No adjustments were made to properties which fell out of the trend or had not data to warrant changes.

The district continues to secure sales data and information to maintain and calculate an internal ratio analysis to justify the appraisal changes for each appraisal year. While the supply of sales data is good the district is not overwhelmingly inundated with data.

The below chart for an overall median or weighted mean represents the data available:

Mean Level of appraisal	.9771
Median Level of Appraisal	.9502
Weighted Mean	.9596
Coefficient of dispersion	14.7500
Price Related Differential	1.1139
Number of observations	293

Property Discovery The district utilizes the following construction mechanisms to help locate new property:

- City building permits
- Filed mechanics liens
- Mobile home installation reports
- Septic Tank permits
- Field inspection discovery
- General Public communications
- Aerial photography
- Homestead / Agricultural applications
- Recorded instruments from the courthouse
- Building plans
- Utility companies
- Mobile Home statement of location
- Newspapers, Sales Brochures and Magazines
- Telephone directories

New Construction

The use of the above resources and tools added approximately \$24,787,897 of market value to the appraisal roll for 2016.

Exemption Data

Property owners may qualify for a variety of exemptions as provided by the Texas Constitution. Some of the most commonly occurring exemptions are described below. Other less common are available and described in the Texas Property Tax Code, Chapter 11.

Residential Homestead

The following chart represents the total exemption amounts available to homeowners. Titus County, Mt. Pleasant ISD, Chapel Hill ISD, Harts Bluff ISD, Winfield ISD, Pewitt ISD, Daingerfield ISD and Rivercrest ISD homestead applications for the 65 and older property owner, the disabled property owner, and surviving spouse of each of those (if the spouse is 55 or older) creates a tax ceiling prohibiting increased taxes on the homestead on existing buildings. An increase in the market trend does not increase taxes for these types of homesteads. (Any new value added to the home site will cause the ceiling to be readjusted in the next tax year.) SB1 passed in November election 2015 added an additional \$10,000 to the state mandate general homestead for 2016 and adjusted the ceiling down for the O65 and disabled qualified residents. Homestead exemptions available on 20 acres with home.

RESIDENTIAL HOMESTEADS

ENTITY	HOMESTEAD				
	20%	State Mandate	OVER 65	DISABILITY	DVHS
CITIES					
CITY OF MT PLEASANT	YES	NO	\$3,000	NO	100%
CITY OF TALCO	NO	NO	NO	NO	100%
CITY OF WINFIELD	NO	NO	\$3,000	NO	100%
SCHOOLS					
CHAPEL HILL ISD	NO	\$25,000	\$10,000	\$10,000	100%
DAINGERFIELD ISD	NO	\$25,000	\$10,000	\$10,000	100%
HARTS BLUFF ISD	NO	\$25,000	\$10,000	\$10,000	100%
MT PLEASANT ISD	NO	\$25,000	\$10,000	\$10,000	100%
PAUL PEWITT ISD	NO	\$25,000	\$10,000	\$10,000	100%
RIVERCREST ISD	NO	\$25,000	\$13,000	\$10,000	100%
WINFIELD ISD	NO	\$25,000	\$10,000	\$10,000	100%
COUNTY					
TITUS COUNTY	YES	NO	\$15,000	\$10,000	100%
TITUS REGIONAL HOSPITAL	YES	NO	\$15,000	\$10,000	100%
NTCC	NO	\$5,000	\$10,000	\$10,000	100%

All homeowners with qualified homesteads are subject to the placement of a homestead cap which prohibits the increase of taxable value on the homestead property to ten percent per year. The homestead cap is removed in increments each year or completely at the time of owner transition. Market value can still be reflective of the local real estate market.

Disable Veterans

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

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

If the disabled veteran is 65 years of age or older, totally blind in one or both eyes, has lost the use of one or more limbs the exemption amount is \$12000 off of the assessed value of the property. A surviving spouse is entitled to an exemption of \$5000 from the assessed value of the property.

Other Exemptions

Cemetery Exemptions
Religious Organizations
Charitable Organizations
Veteran's Organizations

Several other less frequently occurring exemptions are allowable and described in the Chapter 11, Property Tax Code.

Appeal Data

Appraisal notices are typically mailed to property owners if:

- The appraised value of the property changes from the prior year
- The appraised value is greater than the value rendered by the property owner
- The property was not on the appraisal roll in the preceding year
- The property has had a change in ownership

In 2016 approximately 17,545 notices were mailed. Of these notices approximately 1,347 parcels were protested.

Average Home Values 2016

City of Talco	\$ 41,288
City of Winfield	\$ 49,145
City of Mount Pleasant	\$100,983
Titus County	\$104,983
Titus Regional Medical	\$104,983
Northeast Texas community College	\$104,983
Mount Pleasant ISD	\$102,463
Rivercrest ISD	\$ 67,898
Pewitt	\$107,149
Winfield ISD	\$ 79,755
Chapel Hill ISD	\$122,495
Harts Bluff ISD	\$159,617
Daingerfield	\$ 65,944

EXEMPTIONS BREAKDOWN FOR THE DISTRICTS IN TOTAL:

EXEMPTION	DESCRIPTION	COUNT	LOCAL	STATE	TOTAL
AB	ABATEMENT	9	29,268,224	0	29,268,224
DV1	DISABLED VETERAN-10-29%	11	0	55,000	55,000
DV2	DISABLED VETERAN-30-49%	14	0	109,500	109,500
DV3	DISABLED VETERAN-50-69%	17	0	162,000	162,000
DV4	DISABLED VETERAN-70-100%	160	0	1,432,783	1,432,783
DV4S	DISABLED VETERAN SURVIVING SPOUSE	1	0	12,000	12,000
DVHS	DISABLED VETERAN HOMESTEAD	74	0	7,565,937	7,565,937
EX-XD	EXEMPT-IMPROVING PROP W/VOLUNTEER	5	0	26,105	26,105
EX-XF	EXEMPT-ASSISSTED AMBULATORY HEALTH CARE CENTERS	3	0	292,212	292,212
EX-XG	EXEMPT-PRIMARILY CHARITABL FUNCTIONS	2	0	363,770	363,770
EX-XJ	EXEMPT-PRIVATE SCHOOLS	3	0	87,144	87,144
EX-XL	EXEMPT-ORG PROVIDING ECONOMIC DEVELOPMENT	4	0	651,058	651,058
EX-XR	EXEMPT-NON PROFIT WATER/WASTE WATER CORP	78	0	14,483,455	14,483,455
EX-XU	EXEMPT-MISCELLANEOUS	12	0	590,840	590,840
EX-XV	EXEMPT-OTHER INCLUDING PUBLIC PROPERTY,RELIGIOUS	905	0	241,242,473	241,242,473
EX366	EXEMPT- UNDER \$500	1677	0	137,421	137,421
FR	FREEPORT	19	52,371,738	0	52,371,738
LIH	PUBLIC HOUSING FOR INDIGENT	6	0	3,217,716	3,217,716
PC	POLLUTION CONTROL	10	131,135,570	0	131,135,570
PPV	PERSONAL PROPERTY VEHICLE	15	3,408,580	0	3,408,580
			216,184,112	270,429,414	486,613,526