

Titus County Appraisal District 2017 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.

The Texas Legislature meets in odd-numbered years. Customarily, the Property Tax Assistance Division of the Texas Comptroller of Public Accounts Office publishes a booklet explaining all the Texas Property Law changes for that Legislative session. A copy of this booklet accompanies this report.

The next legislative session will be held in 2019. 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 29,314 properties for the 2017 certified appraisal year. The following chart accounts for the various property types, their percentage of parcel count and market value respectively. 36% 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.

2017 CERTIFIED APPRAISAL YEAR

PTAD CLASSIFICATION	PROPERTY TYPE	PARCEL COUNT	MARKET VALUE	% OF PARCEL COUNT	% OF MARKET VALUE
A	SINGLE FAMILY RESIDENCE	8,077	752,166,545	27.55	22.04
B	MULTI-FAMILY RESIDENCE	113	25,457,925	.39	.75
C	VACANT LOTS	1,359	23,549,628	4.64	.69
D1	QUALIFIED AG LAND	4,682	411,432,559	15.97	12.05
D2	FARM AND RANCH IMPROVEMENTS	1,075	17,527,454	3.67	.51
E	RURAL LAND RESIDENTIAL IMPROVEMENTS	3,997	269,463,296	13.64	7.89
F1	COMMERCIAL REAL	985	252,120,951	3.36	7.39
F2	INDUSTRIAL REAL	109	418,299,634	.37	12.26
G1	OIL AND GAS	2,652	9,988,300	9.05	.29
J	UTILITIES	390	544,959,195	1.33	15.97
L1	COMMERCIAL PERSONAL	1,112	96,295,106	3.79	2.82
L2	INDUSTRIAL PERSONAL	391	267,211,821	1.33	7.83

M1	MANUFACTURED HOUSING	1,366	23,368,905	4.66	.68
O	RESIDENTIAL INVENTORY	133	2,911,670	.45	.09
S	SPECIAL INVENTORY	37	13,795,328	.13	.40
X	EXEMPT	2,836	284,640,545	9.67	8.34
TOTALS		29,314	3,413,188,862	100	100

Appraisal Operation Summary

In compliance with the 2017-2018 Re-appraisal Plan, the real properties located in Region 2 which are south 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	.9967
Median Level of Appraisal	.9763
Weighted Mean	.9352
Coefficient of dispersion	13.85
Price Related Differential	1.06
Number of observations	437

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 \$57,264,937 of market value to the appraisal roll for 2017.

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.) Homestead exemptions available on 20 acres with home.

RESIDENTIAL HOMESTEADS

ENTITY	HOMESTEAD				
	CITIES	20%	State Mandate	OVER 65	DISABILITY
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.

Disabled 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 2017 approximately 18,308 notices were mailed. Of these notices approximately 1,343 parcels were protested.

Average Home Values 2017

City of Talco	\$ 40,681
City of Winfield	\$ 52,975
City of Mount Pleasant	\$106,667
Titus County	\$114,568
Titus Regional Medical	\$114,568
Northeast Texas community College	\$114,568
Mount Pleasant ISD	\$108,290
Rivercrest ISD	\$ 69,928
Pewitt	\$117,817
Winfield ISD	\$ 84,149
Chapel Hill ISD	\$130,983
Harts Bluff ISD	\$165,869
Daingerfield	\$ 68,635

EXEMPTIONS BREAKDOWN FOR THE DISTRICTS IN TOTAL:

Exemption Breakdown

Exemption	Count	Local	State	Total
AB	15	30,789,501	0	30,789,501
DV1	13	0	79,000	79,000
DV2	11	0	91,500	91,500
DV3	18	0	172,000	172,000
DV4	154	0	1,335,017	1,335,017
DV4S	1	0	12,000	12,000
DVHS	81	0	9,083,656	9,083,656
EX	30	0	617,300	617,300
EX-XD	4	0	20,660	20,660
EX-XD (Prorated)	1	0	7,948	7,948
EX-XF	3	0	337,942	337,942
EX-XG	4	0	1,196,321	1,196,321
EX-XJ	3	0	126,975	126,975
EX-XL	4	0	658,058	658,058
EX-XR	79	0	15,089,008	15,089,008
EX-XU	13	0	549,188	549,188
EX-XV	878	0	258,519,318	258,519,318
EX-XV (Prorated)	14	0	204,155	204,155
EX366	1,781	0	131,904	131,904
FR	21	49,041,182	0	49,041,182
LIH	6	0	3,055,118	3,055,118
PC	12	132,610,160	0	132,610,160
PPV	16	4,126,650	0	4,126,650
Totals		216,567,493	291,267,068	507,834,561