

# 2019 Comanche CAD Annual Report

## Introduction

The Comanche Central Appraisal District (CCAD) is a political subdivision of the state formed by the Texas Legislature in 1979. The operation of the Appraisal District is governed by the Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division.

## Mission

The mission of Comanche Central 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 the district for ad valorem tax purposes. The effective date for appraisal of real property is January 1<sup>st</sup>. A Personal Property Owner can elect to have their business personal property appraised as of September 1<sup>st</sup>. The district must make sure that each taxpayer is given the same consideration, information and assistance as the next. This will be done by administering the laws under the property tax system and operating under the standards of:

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

## Executive Summary

The Property Tax Assistance Division conducts a Property Value Study and a Methods and Assistance Program review in alternating years. Results of both reviews are available on the Comptroller's website.

The Property Value Study is conducted by the State Comptroller's Office to estimate the taxable property value in each school district to measure the performance of Appraisal Districts. If the Appraisal District is within a 5% percent margin, the State Comptroller will certify the local value to the Commissioner of Education. The findings of the study are used in the school funding formula for state aid. If the District fails to appraise properties within the 5% margin of error and continues to fail to do that for two years, the schools are subjected to reduced state funding through the Texas Education Agency.

In January 2018, the State Comptroller released their findings for the Property Value Study for schools. The District had 3 schools, Comanche, De Leon and Gorman for 2017 failing for the 3<sup>rd</sup> year and losing some funding so the key focus of the value changes in 2018 & 2019 was to get the schools back in compliance so they would get full funding.

2018 & 2019 were difficult years for the District and taxpayers as values had to be increased to get to the levels of what the market was reflecting. Numerous protests

were filed, but most taxpayers were reasonable and the staff and ARB worked to resolve the formal hearings before the ARB.

## **Administration Report**

The financial records of Comanche CAD reflect a focus on producing high quality services and records while also maintaining a conservative budget. The District is always mindful of the dollars spent on creating and maintaining the appraisal roll.

Each agenda packet for the board of director's meetings include monthly financial reports and quarterly investment reports that are review at the board meeting as required by the Public Funds Investment ACT (PFIA).

The District's annual finances can be reviewed and monitored in two different publications – the adopted budget and the audited financial statements. The first publication shows what is planned and the second shows what actually happened.

The budget may not be adopted until written notice is given to the taxing entities and the board has conducted a public hearing on the proposed budget. The chief appraiser prepares the budget and presents it to the board, taxing entities and other interested parties as a preliminary budget at a budget workshop. Additional budget workshops can be held until the proposed budget is ready for delivery to the taxing entities and the board of directors, not later than June 15. The proposed budget requires the District administration to review the goals, objectives, and programs to be accomplished. This review aids in determining forecasted operating and maintenance expenditures by category. It includes personnel breakdown with staffing levels and salary ranges. The board of directors considers and adopts the annual budget by September 15th of each year during a public hearing. The Chief Appraiser gives notice of the public hearing by publishing the notice in a newspaper having general circulation in the CAD's county not later than the 10<sup>th</sup> day before the date of the public hearing.

**Comanche CAD  
2019  
Budget Allocation  
(Based on 2019 Levy)**

<b>Entity</b>	<b>Restricted Reserve Balance</b>	<b>% Total Levy</b>	<b>2020 Allocation</b>	<b>Quarterly Payment</b>
<i>Comanche County</i>	\$82,696	22.037%	\$138,230.10	\$34,557.53
<i>City of Comanche</i>	\$82,696	6.697%	\$42,006.39	\$10,501.60
<i>City of DeLeon</i>	\$82,696	2.081%	\$13,051.09	\$3,262.77
<i>City of Gustine</i>	\$82,696	0.182%	\$1,139.93	\$284.98
<i>Comanche County Hospital District</i>	\$82,696	16.171%	\$101,436.17	\$25,359.04
<i>Middle Trinity Water District</i>	\$82,696	0.584%	\$3,663.29	\$915.82
<i>Blanket ISD</i>	\$82,696	1.339%	\$8,400.18	\$2,100.05
<i>Comanche ISD</i>	\$82,696	27.013%	\$169,443.33	\$42,360.83
<i>DeLeon ISD</i>	\$82,696	12.660%	\$79,408.23	\$19,852.06
<i>Dublin ISD</i>	\$82,696	1.236%	\$7,752.75	\$1,938.19
<i>Gorman ISD</i>	\$82,696	1.271%	\$7,972.71	\$1,993.18
<i>Gustine ISD</i>	\$82,696	4.829%	\$30,289.46	\$7,572.36
<i>Hamilton ISD</i>	\$82,696	0.818%	\$5,132.30	\$1,283.07
<i>Hico ISD</i>	\$82,696	0.133%	\$832.10	\$208.02
<i>Lingleville ISD</i>	\$82,696	0.009%	\$55.91	\$13.98
<i>May ISD</i>	\$82,696	0.347%	\$2,179.60	\$544.90
<i>Mullin ISD</i>	\$82,696	0.171%	\$1,073.81	\$268.45
<i>Priddy ISD</i>	\$82,696	0.200%	\$1,257.28	\$314.32
<i>Rising Star ISD</i>	\$82,696	0.196%	\$1,231.08	\$307.77
<i>Sidney ISD</i>	\$82,696	2.024%	\$12,698.54	\$3,174.63
<i>Zephyr ISD</i>	\$82,696	0.001%	\$4.87	\$1.22
<b>Total</b>		100.000%	<b>\$627,259.12</b>	\$156,814.77
				4 *
				\$627,259.08
				\$82,696.00 +
			<b>Budget</b>	<b>\$709,955.08</b>

**% of Budget**

County	22.0%
Cities	9.0%
Hospital	16.2%
Water District	0.6%
Schools	52.2%
	100.0%

The financial statements are audited annually by an independent certified public accountant (CPA) in accordance with generally accepted auditing standards. The auditor presents the findings and provides recommendations in relation to the financial operations to the board of director's in an open meeting. A copy of the audit and an acknowledgement of receipt is sent to the presiding officer of the 22 entities with in the county pursuant to the Property Tax Code 6.063(b).

## Governance

The appraisal district is governed by a Board of Directors whose primary responsibilities are to:

- Establish the district's office,
- Adopt its operating budget,
- Contract for necessary services,
- Hire the Chief Appraiser,
- Appoint the Appraisal Review Board (ARB)
- 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, 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. There are no legal limits to the number of terms a board member can serve.

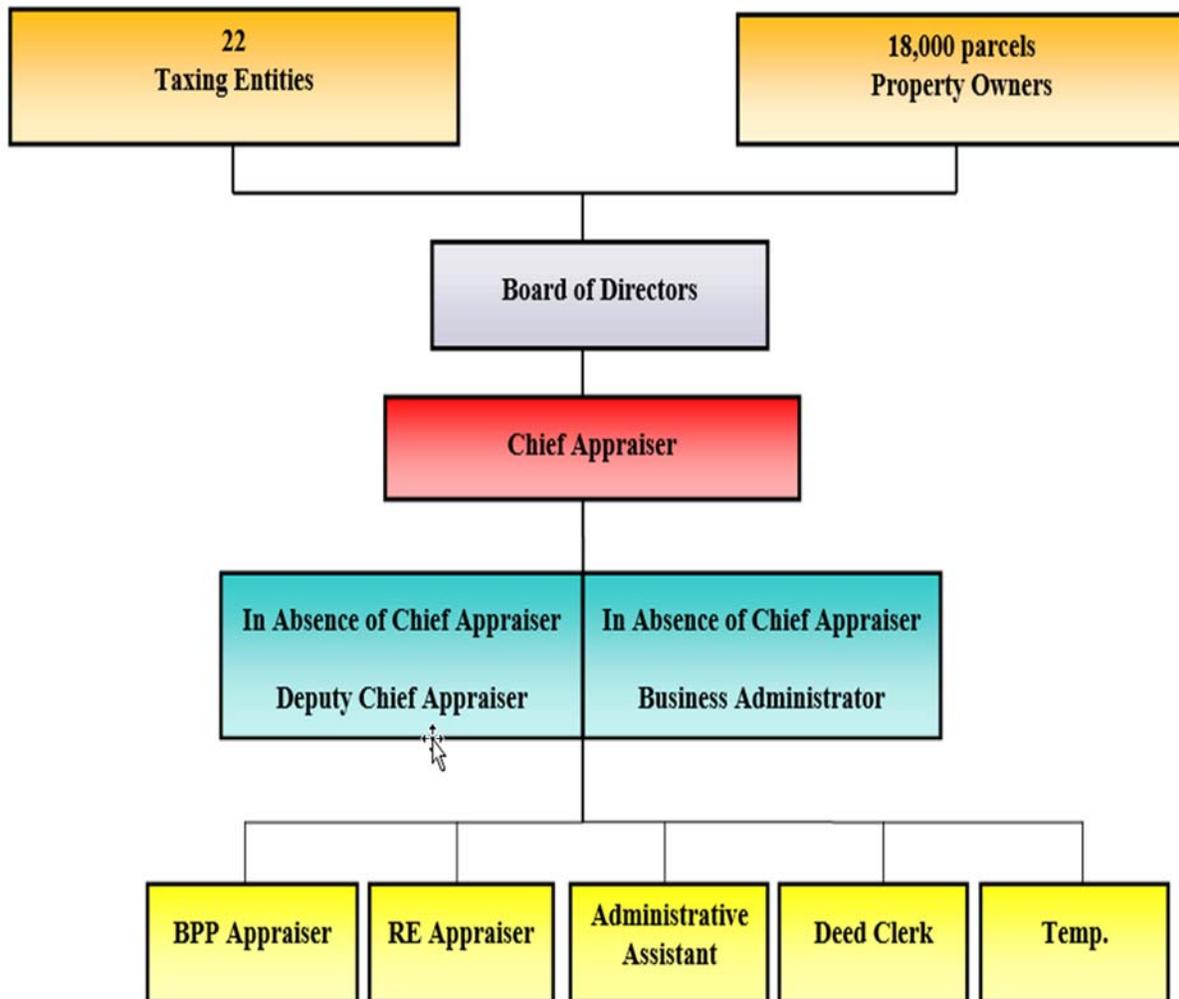
The Chief Appraiser is the chief administrator of the appraisal district and is appointed by the board of directors. The chief appraiser must be licensed (or actively working toward licensing) as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulation.

Members of the Appraisal Review Board are appointed by the Board of Directors. ARB members serve two-year staggered terms, for maximum of 3 consecutive two-year terms. Their responsibility is to settle value disputes. Their decisions regarding value are binding to the chief appraiser for the tax years protested.

The Ag Advisory Board is appointed by the Board of Directors at the recommendation of the chief appraiser to aide them in determining typical practices, standards, lease rates and expenses for agricultural activities in the district. They serve at the will of the Board of Directors.

Amended 10/16/2018

**COMANCHE CENTRAL APPRAISAL DISTRICT**  
**Organizational Chart**



## **Taxing Jurisdictions**

The Comanche Central Appraisal District is responsible for appraising 18,205 properties located within the 944 square miles or approximately 604,160 acres of Comanche County. The following are the taxing jurisdictions with in the district:

1. City of Comanche
2. City of De Leon
3. City of Gustine
4. County Road
5. Comanche County
6. Hospital District
7. Blanket ISD \*\*
8. Comanche ISD
9. De Leon ISD \*\*
10. Dublin ISD \*\*
11. Gorman ISD \*\*
12. Gustine ISD
13. Hamilton ISD \*\*
14. Hico ISD \*\*
15. Lingleville ISD \*\*
16. May ISD \*\*
17. Mullin ISD \*\*
18. Priddy ISD \*\*
19. Rising Star ISD \*\*
20. Sidney ISD
21. Zephyr ISD \*\*
22. Trinity Water \*\*

\*\*These entities overlap into adjoining counties BUT only the portion in Comanche County is appraised by Comanche Central Appraisal District. \*\*

## Property Types Appraised

CCAD staff is responsible for appraising 16,976 residential, commercial, land and business personal property accounts. CCAD contracts with Capitol Appraisal Group, Inc. to appraise 1,229 accounts which includes oil and gas properties, utilities, pipelines, industrial property, and industrial personal property in the district.

The Comanche Central Appraisal District 2019-2020 Reappraisal Plan designated property located primarily in De Leon ISD for the 2019 inspection. This area contains 7 city drive outs and 16 rural drive outs consisting of the City of De Leon, communities of Downing and Sipe Springs, Proctor Lake subdivisions, Nabors Lake and the remaining rural properties. During this inspection cycle, the over-lapping school districts of Dublin, Lingleville, Gorman and Rising Star are included.

The scope of work required inspection of all parcels within this area.

The following is the summary of all property types and their certified values:

2019					
Code	Property Type	Parcel Count	New Market Value	Market Value	% of MKT value
A	Single Family Residences	4,605	\$3,062,410	\$280,608,260	10.5%
B	Multi Family Residences	30		\$5,843,250	
C	Vacant Lot	1,891		\$12,201,050	
D1	Qualified Ag Land	7,928		\$1,620,921,484	58.6%
D2	Imps on Qualified Ag Land	2,450	\$2,454,720	\$46,727,631	
E	Non-Qualified Land	3,261	\$6,142,840	\$304,021,685	10.7%
F1	Commercial Real Property	640	\$359,620	\$64,372,589	2.3%
F2	Industrial Real Property	80	\$334,080	\$15,695,520	13.7%
G1	Oil & Gas	673		\$7,605,799	
J2	Gas Distribution System	6		\$3,645,400	
J3	Electric Company	70		\$34,207,520	
J4	Telephone Company	46		\$2,095,740	
J5	Railroad	20		\$3,495,950	
J6	Pipeline Company	93		\$22,960,930	
J7	Cable Television Company	2		\$11,990	
L2	Industrial Personal Property	141		\$300,258,950	
L1	Commercial Personal Property	531		\$28,767,430	1.0%
M1	Intangible Personal Mobile Hom	239	\$818,380	\$6,466,295	0.2%
S	Special Inventory	14		\$6,513,820	0.2%
X	Total Exempt Property	771	\$856,440	\$79,090,128	2.8%
<b>Totals</b>			\$14,028,490	\$2,845,511,421	100.0%

## Property Discovery

The district seeks to discover all newly constructed or added property each year through examination of:

- City building permits
- Field inspections
- Filed Material/Mechanic's Liens
- Deed records
- Sewer permits
- Mobile home reports
- Electric permits
- Newspapers
- Legal notices
- Sales information
- Prior year records
- Aerial maps
- Railroad Commission Reports (oil/gas)
- Renditions
- Assumed Names
- Vehicle registrations
- Realtor and Appraisers

## 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 commonly occurring exemptions 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 who qualify for this exemption** on a home site with a maximum of 20 acres:

	STATE MANDATED HOMESTEAD			OPTIONAL		
	Regular	Over-65	Disability	Regular %	Over 65	Disability
Comanche County Road & Bridge	\$3,000	None	None	None	None	None
City of De Leon	None	None	None	None	\$6,000	None
ALL Schools	\$25,000	\$10,000	\$10,000	None	None	None

For school tax purposes, the over 65, disability, and surviving spouse homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead. (Any changes to or new areas added to the home site will cause the ceiling to be readjusted in the subsequent tax year.)

All homeowners who qualify for the residential homestead exemption are subject to the placement of homestead cap on their qualifying property which prohibits the increase of taxable value on the homestead property to ten percent per year. However, the market value may 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 exemptions amounts, based upon these ratings, are:

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

## **PERFORMANCE TESTS**

The primary tool used to measure mass appraisal performance is the ratio study. A ratio study compares appraised values to market prices. In a ratio study, market values are typically represented with the range of sale prices. Independent, expert appraisals may also be used to represent market values in a ratio study (i.e. an appraisal ratio study). If there are not enough examples of market price to provide necessary representativeness, independent appraisals can be used as indicators for market value. This can be particularly useful for commercial, warehouse or industrial real property for which sales are limited. In addition, appraisal ratio studies can be used for properties statutorily not appraised at market value, but reflect the use-value requirement. An example of this are multi-family housing projects subject to subsidized rent provisions or other governmental guarantees as provided by legislative statutes (affordable housing) or agricultural lands to be appraised on the basis of productivity or use value.

Comanche CAD has adopted the policies of the IAAO STANDARD ON RATIO STUDIES, regarding its ratio study standards and practices which can be viewed on their website at

[http://www.iaao.org/wcm/Resources/Publications\\_access/Technical\\_Standards/wmc/Resources\\_Content/Pubs/Technical\\_Standards.aspx](http://www.iaao.org/wcm/Resources/Publications_access/Technical_Standards/wmc/Resources_Content/Pubs/Technical_Standards.aspx)

Ratio studies generally have seven basic steps: (1) define the purpose, scope and objectives, (2) design, (3) stratification, (4) collection and preparation of market data, (5) matching of appraisal and market data, and (6) statistical analysis and (7) evaluation and use of results.

### ***Sales Ratio Studies***

Sales ratio studies are an integral part of estimating equitable and accurate market values, and ultimately property assessments for the taxing jurisdictions. The primary uses of sale ratio studies include identification of potential problems with appraisal procedures; assist in market analyses; and, to calibrate models used to estimate appraised values during valuation or reappraisal cycles. However, these studies cannot be used to judge the accuracy of an individual properties appraised value. The Comanche County Appraisal Review Board may make individual value adjustments based on protest evidence submitted on a case-by-case basis during the hearing process.

Overall sales ratios are generated quarterly to allow appraisers to review general market trends in the county and for the Property Value Study from the Property Tax Division of the Comptroller's Office. In many cases, field checks are conducted to insure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics. These ratio studies aid the CAD by providing an indication of market activity by economic area or changing market conditions (appreciation or depreciation).

Texas does not have mandatory sales disclosure; therefore, the district does not have access to all property transactions, which limits sales analysis to only those sales acquired

by the district through a commercial vendor or submitted voluntarily by the property owner. Available sales are screened to ensure, to the extent possible, that only valid indicators of market value are included. Sales identified as invalid transactions due to atypical financing, sales between relatives, corporate affiliates and estate sales, and sales with partially complete new construction are excluded from the ratio study.

## **Legislative Changes**

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, or 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 subdivisions 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 and the Appraisal Review Board is considered delivered if a notice of the meeting is posted in the public area of the district's office and is posted at the courthouse and on the district's website at least seventy-two (72) hours before the commencement of the meeting.

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 Appeals**

In accordance with the Texas Property Tax Code, Section 41.44, a property owner and/or authorized tax agent may file an appeal with the Appraisal Review Board (ARB) having authority to hear the matter protested. The District schedules these appeals for protest hearings and notifies the protesting party of their scheduled hearing before the ARB.

The ARB members do not work for appraisal districts but rather, arbitrate exemptions and appraisal disputes between property owners and Comanche CAD. The ARB is a quasi-judicial body appointed by the board of directors.

After the hearing process, the ARB approves and submits the appraisal records to the Chief Appraiser who then certifies appraisal roll values to the taxing entities.



❖ **Appeals Results 2019**

Types of Property Protested:

Single family residence 100  
Multi family residence 4  
Vacant lot 7  
Qualified productivity land and improvements 118  
Non-Qualified land 2  
Commercial/Industrial 38  
Oil & Gas/Mineral 14  
Utilities 92  
Personal property 59  
Mobile Homes 2  
All others 0

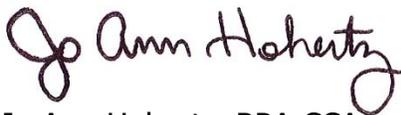
Hearings 469  
# ARB determined 93  
Lowered by ARB 47  
Did not show up for hearing 111  
Settled with appraiser informally 101  
Withdrawn 286  
Appeared 67  
Pending 31

**Notices of Appraised Value are mailed if:**

- Property was reappraised that year
- Value increased more than \$1,000 from prior year
- Property was new
- Ownership of property changed

**I, certify that, to the best of my knowledge and belief:**

1. The statements of fact contained in this report are true and correct.
2. This report was prepared by Jo Ann Hohertz and the Comanche CAD staff.



Jo Ann Hohertz, RPA CCA  
Chief Appraiser  
Comanche Central Appraisal District