

2021 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 1st. A Personal Property Owner can elect to have their business personal property appraised as of September 1st. 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, the State Comptroller releases their findings for the Property Value Study (PVS) for schools. In 2017, the District had 3 schools, Comanche, De Leon and Gorman failing for the 3rd year and losing some funding so the key focus of the value changes in 2018 was to get the schools back in compliance so they would get full state funding. The State Comptroller released their findings for the 2018 & 2019 PVS and all schools in the District were back in compliance.

2018-2021 property values were increased to get to the level of what the market was reflecting. Numerous protests were filed, and the staff and ARB worked to resolve the

formal hearings before the ARB. 2020-2021 had even greater challenges for the CCAD with Covid-19 and the difficulty of keeping taxpayers, ARB members and staff safe and continuing operation.

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 are 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 10th day before the date of the public hearing.

Comanche CAD				
2021				
Budget Allocation				
(Based on 2020 Levy)				
	<i>Restricted</i>			
	<i>Reserve</i>	<i>% Total</i>		<i>Quarterly</i>
<i>Entity</i>	<i>Balance</i>	<i>Levy</i>	<i>Allocation</i>	<i>Payment</i>
Comanche County/County Road	\$93,631	31.018%	\$226,081.15	\$56,520.29
City of Comanche	\$93,631	6.154%	\$44,857.47	\$11,214.37
City of DeLeon	\$93,631	1.886%	\$13,745.77	\$3,436.44
City of Gustine	\$93,631	0.016%	\$116.84	\$29.21
Comanche County Hospital District	\$93,631	13.278%	\$96,777.33	\$24,194.33
Middle Trinity Water District	\$93,631	0.502%	\$3,657.96	\$914.49
Blanket ISD	\$93,631	1.151%	\$8,387.09	\$2,096.77
Comanche ISD	\$93,631	26.239%	\$191,251.02	\$47,812.76
DeLeon ISD	\$93,631	10.806%	\$78,763.13	\$19,690.78
Dublin ISD	\$93,631	0.926%	\$6,748.52	\$1,687.13
Gorman ISD	\$93,631	1.029%	\$7,503.08	\$1,875.77
Gustine ISD	\$93,631	3.976%	\$28,983.66	\$7,245.92
Hamilton ISD	\$93,631	0.627%	\$4,570.30	\$1,142.57
Hico ISD	\$93,631	0.083%	\$605.71	\$151.43
Lingleville ISD	\$93,631	0.009%	\$62.84	\$15.71
May ISD	\$93,631	0.231%	\$1,684.98	\$421.24
Mullin ISD	\$93,631	0.137%	\$1,000.92	\$250.23
Priddy ISD	\$93,631	0.105%	\$767.47	\$191.87
Rising Star ISD	\$93,631	0.014%	\$98.43	\$24.61
Sidney ISD	\$93,631	1.812%	\$13,208.12	\$3,302.03
Zephyr ISD	\$93,631	0.001%	\$4.21	\$1.05
Total		100.000%	\$728,876.00	\$182,219.00
				4
				\$728,876.01
			**Retained Reserve	\$93,631.00
			Budget	\$822,507.01

% of Budget	
County	31.0%
Cities	8.1%
Hospital	13.3%
Water District	0.5%
Schools	47.1%
	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 operation 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 within 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.

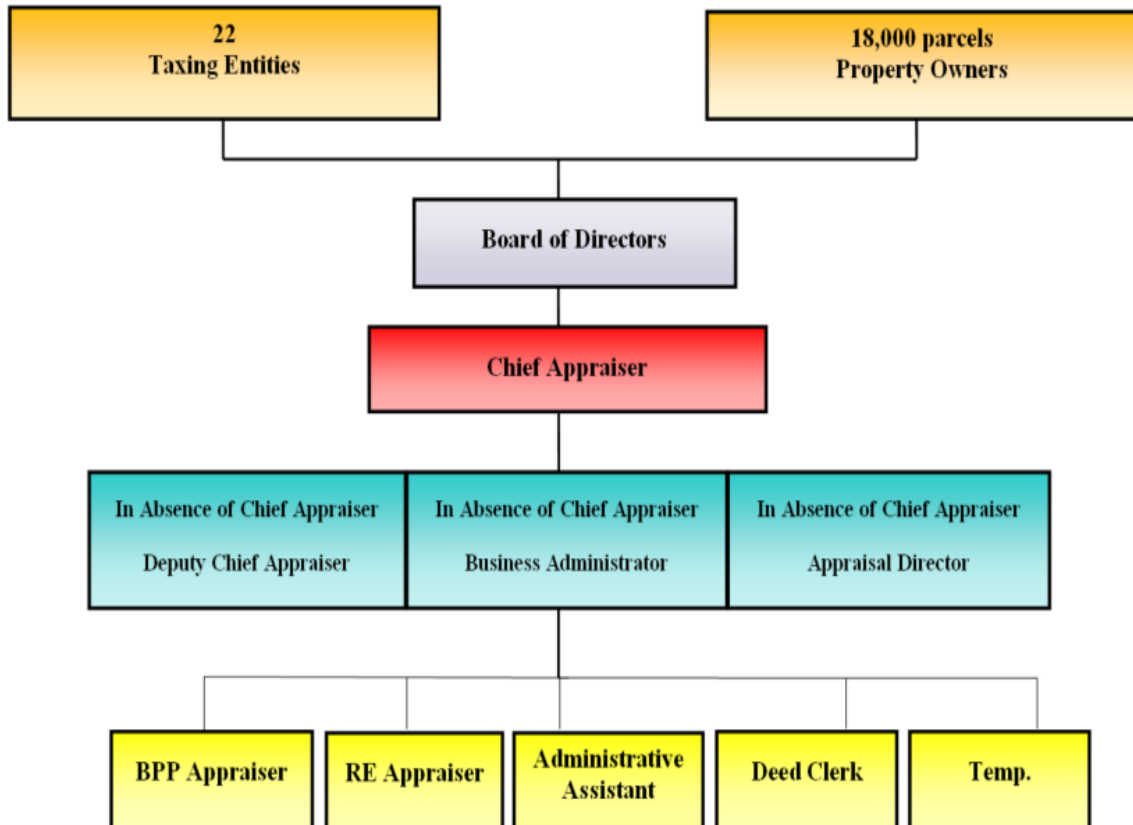
Members of the Appraisal Review Board are appointed by the Board of Directors and serve two-year staggered terms. Their responsibility is to settle value disputes. Their decisions regarding value are binding to the chief appraiser for the tax years protested.

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 8/17/2020

COMANCHE CENTRAL APPRAISAL DISTRICT Organizational Chart



Taxing Jurisdictions

The Comanche Central Appraisal District is responsible for appraising 18,147 properties located within the 944 square miles or approximately 604,160 acres of Comanche County. The following are the taxing jurisdictions within 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 17,181 residential, commercial, land and business personal property accounts. CCAD contracts with Capitol Appraisal Group, Inc. to appraise 966 accounts which includes oil and gas properties, utilities, pipelines, industrial property, and industrial personal property in the district.

The Comanche Central Appraisal District 2020-2021 Reappraisal Plan designated property located in City of Comanche, City of Gustine, rural Gustine ISD and Sidney ISD for the 2021 inspection. This area contains 25 drive outs including the communities of Lamkin and Sidney and the remaining rural properties. During this inspection cycle, the over-lapping school districts of Blanket, May, Hamilton and Hico are included.

The scope of work required inspection of all parcels within this area. **However, due to Covid we ended the drive out in November and didn't finish 7 rural Gustine drive outs.**

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

2021					
Code	Property Type	Parcel Count	New Market Value	Market Value	% of MKT value
A	Single Family Residences	4,659	\$2,703,270	\$320,808,925	10.1%
B	Multi Family Residences	31	\$414,140	\$5,024,380	
C	Vacant Lot	1,855		\$13,318,586	
D1	Qualified Ag Land	8,145		\$1,988,350,317	60.9%
D2	Imps on Qualified Ag Land	2,516	\$2,424,960	\$52,005,523	
E	Non-Qualified Land	3,353	\$7,379,280	\$347,087,174	10.4%
F1	Commercial Real Property	650	\$199,670	\$67,332,276	2.0%
F2	Industrial Real Property	84	\$0	\$18,750,640	
G1	Oil & Gas	456	\$0	\$3,797,504	12.0%
J2	Gas Distribution System	6	\$0	\$4,340,540	
J3	Electric Company	72	\$0	\$40,079,400	
J4	Telephone Company	46	\$0	\$1,759,430	
J5	Railroad	20	\$0	\$3,528,390	
J6	Pipeline Company	99	\$0	\$55,785,590	
J7	Cable Television Company	4	\$0	\$59,080	
L2	Industrial Personal Property	153	\$0	\$274,251,340	
L1	Commercial Personal Property	519	\$0	\$32,011,200	1.0%
M1	Tangible Personal Mobile Home	242	\$703,550	\$6,821,470	0.2%
S	Special Inventory	14	\$0	\$7,670,440	0.2%
X	Total Exempt Property	676	\$4,391,080	\$105,936,754	3.2%
Totals			\$18,215,950	\$3,348,718,959	100.0%
					112.2%
2021					
Land Type Description	Total Acres	Market Value	Ag Value		
Dryland Crop	46,458.544	\$160,993,267	\$5,438,501	9.1%	
Improved Pasture	124,194.496	\$438,285,553	\$14,461,704	24.1%	
Irrigated Crop	9,679.545	\$33,301,670	\$2,380,170	4.0%	
Native Pasture	353,958.148	\$1,224,204,491	\$33,277,850	55.5%	
Orchards	10,043.678	\$45,986,458	\$2,038,070	3.4%	
Wildlife	24,709.289	\$85,634,620	\$2,388,200	4.0%	
Totals	569,043.7000	\$1,988,406,059	\$59,984,495	100.0%	
CCAD Accounts		17181	\$2,946,367,045	88.0%	
Capitol Accounts		966	\$402,351,914	12.0%	
Total		18147	\$3,348,718,959	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 exemption amounts, based upon these ratings, are:

Disability Percentage	Exemption Amount
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 based on 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

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 ensure 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.

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

Legislative Changes

During the 2019 Texas Legislative Session, 20 new Property Tax Code (PTC) sections were added, 52 PTC sections were amended, Senate Bill 2 made 93 changes and numerous other bills were passed that affect property owners and the general public:

Senate Bill 2 (SB2) amended Tax Code Section 5.091, requiring appraisal districts to report to the Comptroller's office the total tax rate imposed by each taxing unit within their jurisdiction by using Form 50-886-a, PVS Tax Rate Submission Spreadsheet, as detailed in the Electronic Appraisal Roll Submission Manual (June 2020). The appraisal district must provide the adopted tax rates by Oct. 5, 2021, indicating those taxing units with pending tax rate elections by placing an asterisk at the end of the name. A subsequent post-election submittal of the spreadsheet with the final tax rates must be provided by Nov. 15, 2021.

SB2 changed name of effective tax rate to no new revenue rate and rollback tax rate to voter approval rate.

SB2 amended 26.05

(a)--The governing body must adopt a tax rate before the later of September 30th or the 60th day after the certified appraisal roll is received, except that the governing body must adopt a tax rate that exceed the voter-approval rate not later than the 71st day before the next uniform election date prescribed by 41.001.

(c)--If the governing body does not adopt a tax rate before date required by Subsection (a) the tax rate for that year is the lower of the no-new-revenue rate calculated for that year or the rate adopted the preceding year.

(d-1)-- The governing body of the taxing unit other than a school district MAY NOT hold a public hearing on a proposed tax rate or a public meeting to adopt tax rate until the 5th day after the date the chief appraiser of CAD has (1) delivered the notice required by section 26.049e-2); and (2) complied with Section 26.17(f).

(g)—Notwithstanding Subsection (a), the governing body of a school district that elects to adopt a tax rate before adoption of a budget for the fiscal year that begins in current tax year may adopt a tax rate for current year before receipt of the certified appraisal roll if the Chief Appraiser has certified to the assessor for the school district an estimate of taxable value as provided by section 26.01(e). If school adopts tax rate under this subsection, the no-new-revenue rate and the voter-approval rate will be calculated based on the estimate of taxable value.

The surviving spouse of a disabled person can retain ceiling established by spouse.

An owner of an heir property who qualifies heir property as owner's residential homestead is considered the sole owner of the property for tax limitation and deferral purposes. However, the homestead does not affect ownership.

House Bill 1743 reduced rollback years for changing land from ag use to non-age use from 5 years to 3 years and lowers interest rate from 7% to 5%.

House Bill 1254 repeals provision that landowner who secures land with home equity land may not designate the land for ag use.

House Bill 3834 requires cyber security training for local government employees that use a computer for at least 25% of their required duties.

PTC section 1.086 allows homeowner to request in writing that the CAD send by email a change in value, eligibility for an Exemption or the granting, denial or cancellation or other changes in homestead.

PTC 25.192 requires Notice of Residence homestead exemption eligibility for residential property not qualified for homestead in current year. Repealed 25.19(b-2).

PTC 25.19 Notice of Appraised Value will include estimated taxes until 1-1-2022 for CCAD. However, after 1-1-2022 Notice of Appraised Value will not include estimated taxes.

PTC 26.17 requires the Chief Appraiser (CA) to create & maintain a database that identifies county & contains information from taxing units in the CAD. By August 7th, or as soon thereafter as possible the CA informs property owners within the CAD that the estimated tax amounts imposed on their properties are on the database. PTC 26.04

Appraisal Review Board (ARB) changes:

- ARB shall provide for hearings on a Saturday or after 5 p.m. on a weekday but not after 7 p.m. on weekday and no hearings on Sunday.
- Hearing Notice may be delivered by email or certified mail.
- Copy of Comptroller's ARB survey mailed with Notice of Determination.
- Deadline to request Binding Arbitration extended to 60 days like deadline to file in district court

The names and addresses, along with other personal information in the possession of the appraisal district will be classified as confidential information when a request has been made as authorized by PTC Section 25.025.

2020 Property taxes annual increase capped at 3.5% for M&O rates on counties and cities unless voters approve higher rate. State lowered school M&O taxes capped with future 2.5% annual increase. Hospitals, junior colleges, and special districts increase remains at 8% but automatic election required if adopted tax rate exceeds voter approved rate on M&O taxes.

Property Appeals

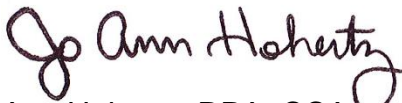
In accordance with the Texas Property Tax Code, Section 41.44, a property owner and/or authorized tax agent may file an appeal with the Appraisal Review Board (ARB) having authority to hear the matter protested. The District schedules these appeals for protest hearings and notifies the protesting party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

2021 Hearing Results	Total		
Cases ARB determined	226		
Cases Did not show for hearing	133		
Cases Settled with appraiser informally or withdrawn	316		
	675		
Type of Property Protested:	Total	Pending	State Code
Single family residence	168	28	A1-E1
Multi family residence	4	0	B
Vacant lot	7	5	C
Qualified productivity land and improvements	94	13	D
Non-Qualified land	5		E2
Commercial/Industrial	38	1	F-J5
Oil & Gas/Mineral/Pipeline	3	0	G1-G2-J6
Utilities	140	0	J3-J4
Personal property	34	0	L1-L2
Mobile Homes	8	0	A2-M1
all others			
	501	47	548
			Total Filed

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