



Somervell Central Appraisal District 2018 Annual Report

Introduction

The Somervell Central Appraisal District is a political subdivision of the state. 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 operations of the appraisal district.

Mission

The mission of Somervell 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 district must ensure 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).

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
- Provide advice and consent to the Chief Appraiser concerning the appointment of an Agricultural Advisory Board
- Approve contracts with appraisal firms selected by the chief appraiser to perform appraisal services for the district
- 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 appraisal office is administered by the Chief Appraiser; Section 6.05 (c) of the Texas Property Tax Code states that:

The chief appraiser is the chief administrator of the appraisal office. Except as provided by Section 6.0501, the chief appraiser is appointed by and serves at the pleasure of the appraisal district board of directors. If a taxing unit performs the duties of the appraisal office pursuant to a contract, the assessor for the unit is the chief appraiser. To be eligible to be appointed or serve as a chief appraiser, a person must be certified as a registered professional appraiser under Section 1151.160, Occupations Code, possess an MAI professional designation from the Appraisal Institute, or possess an Assessment Administration Specialist (AAS), Certified Assessment Evaluator (CAE), or Residential Evaluation Specialist (RES) professional designation from the International Association of Assessing Officers. A person who is eligible to be appointed or serve as a chief appraiser by having a professional designation described by this subsection must become certified as a registered professional appraiser under Section 1151.160, Occupations Code, not later than the fifth anniversary of the date the person is appointed or begins to serve as chief appraiser.

The Ag Advisory Board is appointed by the Board of Directors at the recommendation of the chief appraiser to aide him/her in determining typical practices and standards for agricultural activities in the district. They serve at the will of the Board of Directors.

Taxing Jurisdictions

The Somervell Central Appraisal District is responsible for appraising all properties for each of the taxing jurisdictions that have territory located within the boundaries of Somervell County. Following are those taxing jurisdictions with territory located in the district.

- Somervell County
- Glen Rose ISD
- Granbury ISD
- Three Way ISD
- Walnut Springs ISD
- Somervell County Water District
- City of Glen Rose
- Somervell County Hospital District

Legislative Changes

Somervell Central Appraisal District reviews all legislation that may affect the appraisal district's operations. Once laws are passed, Somervell CAD responds in a timely manner updating records, forms and/or procedures.

Property Types Appraised

The district is comprised of approximately 5,000 parcels with a significant portion being involved in agriculture. Somervell County is also home to the Comanche Peak Nuclear Power Plant which makes up a significant portion of the county's tax base.

The following represents a summary of property types appraised by the district for 2018:

| PTAD Class | Property Type | Parcel Count | Market Value |
|------------|-------------------------------------|--------------|-----------------|
| A | Single Family Homes | 2362 | \$363,609,840 |
| B | Multi Family Homes | 37 | \$5,645,884 |
| C | Vacant Land < 5 Acres | 786 | \$20,674,560 |
| D | Open Space Land | 1361 | \$352,384,258 |
| E | Farm/Ranch Improvements | 1652 | \$298,281,134 |
| F | Commercial Real Property/Industrial | 298 | \$89,079,664 |
| G | Oil/Gas/Mineral | 1673 | \$11,616,280 |
| J | Utilities | 140 | \$79,765,560 |
| L | Personal Property | 451 | \$1,594,318,985 |
| M | Mobile Homes | 199 | \$4,506,470 |
| O | Residential Inventory | 150 | \$3,184,700 |
| S | Dealer's Inventory | 1 | \$83,354 |
| X | Exempt Property | 270 | \$95,539,509 |

Appraisal Operation Summary

During the 2018 appraisal year the appraisal staff utilized aerial photography as well as on-site inspections to ensure all properties are classed correctly and all structures accounted for. Cost schedules were reviewed and market analysis was performed to validate appraisal value in each category. The results revealed the following:

Mean level of appraisal 100.5
Median level of appraisal 99.6

Weighted mean level of appraisal 99.52
Coefficient of dispersion 8.79

Based upon the Mass Appraisal Standards adopted by the International Association of Assessing Officers, the above statistics indicate that the district's mass appraisal system is accurately & uniformly appraising property. A complete description of these statistics is contained in the district's 2016 Internal Ratio Study.

Property Discovery

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

- City building permits
- Fee appraisals
- Advertisements
- Filed Material/Mechanic's Liens
- Electric connection reports
- 911 Addressing Reports
- Sales letters
- Mobile home installation reports
- Public "word of mouth"
- Field discovery
- Septic tank permits
- Railroad Commission Reports (oil/gas)

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:

This chart represents the total exemption amounts available to homeowners who qualify for this exemption on home sites with a maximum of 20 acres

| Entity | General Homestead | Over 65/Disability | Over 65 Surviving Spouse | 100% Disabled Veteran |
|------------------------------------|-------------------|--------------------|--------------------------|-----------------------|
| Glen Rose ISD | \$25,000 + 20% | \$20,000 | \$20,000 | 100% |
| Somervell County | 20% | \$50,000 | \$50,000 | 100% |
| Somervell County Water District | 20% | \$50,000 | \$50,000 | 100% |
| Somervell County Hospital District | 20% | \$50,000 | \$50,000 | 100% |
| City of Glen Rose | NA | \$25,000 | \$25,000 | 100% |

| | | | | |
|--------------------|----------|----------|----------|------|
| Granbury ISD | \$25,000 | \$10,000 | \$10,000 | 100% |
| Three Way ISD | \$25,000 | \$10,000 | \$10,000 | 100% |
| Walnut Springs ISD | \$25,000 | \$10,000 | \$10,000 | 100% |

For the school districts, Somervell County, and City of Glen Rose, the over 65, disability, surviving spouse, and 100% disabled veteran residential homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead on existing buildings. *(any new areas added to the home site will cause the ceiling to be readjusted and set in the subsequent tax year.)*

All homeowners who qualify for the residential homestead exemption are subject to the placement of a 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 (as described above), 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:

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

Other Exemptions

Other commonly occurring exemptions are:

- Cemetery Exemptions
- Primarily Charitable Organizations
- Religious Organizations
- Veteran’s Organizations

Other less frequently occurring exemptions are allowable and described in Chapter 11, Texas Property Tax Code.

Appeal Information

State law required the district to mail Notices of Appraised Value to property owners where:

- New property has been included for the first time on the appraisal roll
- There has been an ownership change
- There has been a change in taxable value of \$1,000 or more
- The property filed a rendition statement of the property, or
- The property has been annexed or de-annexed to a taxing jurisdiction

In compliance with these laws, the district prepared and delivered required notices for:

- 2,769 Real Property/Mobile Home
- 488 commercial personal property parcels, and
- 406 mineral parcels

From those notices, 302 parcels were protested with the following characteristics:

| Protest Description | Parcel Count |
|--|--------------|
| Value over Market Value | 271 |
| Unequal Value | 242 |
| Failure to Send Notice | 1 |
| Change of Land use | 1 |
| Agriculture Valuation Denied, Modified, or Cancelled | 1 |

Certified Values

The Chief Appraiser certified market & taxable values to each taxing jurisdiction on June 28, 2018:

| Jurisdiction | Parcel Count | Market Value | Taxable Value |
|------------------------------------|--------------|-----------------|-----------------|
| Glen Rose ISD | 8,257 | \$2,890,926,826 | \$2,213,702,967 |
| Somervell County | 8,517 | \$2,921,953,962 | \$2,253,225,386 |
| Somervell County Water District | 8,518 | \$2,922,012,522 | \$2,253,458,714 |
| Somervell County Hospital District | 8,515 | \$2,921,762,312 | \$2,253,208,504 |
| City of Glen Rose | 2,060 | \$264,460,320 | \$190,947,604 |
| Granbury ISD | 185 | \$12,865,126 | \$9,441,616 |
| Three Way ISD | 68 | \$12,923,470 | \$4,422,890 |
| Walnut Springs ISD | 8 | \$5,297,100 | \$575,890 |

Tax Rates

Using the taxable values as certified by the Chief Appraiser and following the requirements of the Truth in Taxation Laws, the taxing jurisdictions adopted the following tax rates:

- Somervell County .489232
- City of Glen Rose .384074
- Glen Rose ISD .99900
- Granbury ISD 1.195
- Three Way ISD 1.04
- Walnut Springs ISD .9499
- Somervell County Water District .12900
- Somervell County Hospital District .1468696