

CENTRAL APPRAISAL DISTRICT
OF
TAYLOR COUNTY
2021 ANNUAL REPORT





Central Appraisal District of Taylor County

November 2021

With a sincere commitment to support an environment of transparency, I present the 2021 Annual Report for the Central Appraisal District of Taylor County (hereinafter, “the District”). The Annual Report for 2021 provides summary information about the operations of the District, as well as the methods used to test the validity of our certified values. The report is designed to provide the public with information highlighting our appraisal operations, customer service performance, taxpayer value appeals, and Property Value Study.

The District’s primary goal is to provide excellent customer service during every public request. We view our role in the community as an “information provider” that serves as a resource for gathering data and map development. Our mission is to serve the community and make it easier for property owners to understand the property tax process, which provides funding for county, city, and school district services.

In 2018, the District successfully renewed a Certificate of Excellence in Assessment Administration from the International Association of Assessing Officers. The certificate is valid for five years and recognizes governmental assessment offices that utilize the best appraisal and assessment practices throughout the organization. The District continues to provide excellent customer service to twenty-one entities located inside and outside of Taylor County and estimate property values that provide equality and uniformity for all taxpayers. The District is committed to an annual check and balance system coordinated by the State Comptroller’s Property Tax Assistance Division, which assures local school districts that we provide accurate appraisal values to support school funding.

The District takes immense pride in setting the standard for providing complete, accurate, and timely information to the taxing jurisdictions and giving the property owners clear, concise, and easily understood information. Our goal is to develop innovative technology supporting best practices during property inspection and research and create programs and procedures that support lower operation costs.

I thank you for taking the time to review the 2021 Annual Report.

Sincerely,
Gary Earnest
Chief Executive Officer

GENERAL INFORMATION

The Texas Legislature formed appraisal districts in 1979 as part of a sweeping change designed to standardize the administration of local property taxes. Senate Bill 621, or the “Peveto Bill,” was named for Rep. Wayne Peveto from Orange, Texas, forming our current property tax system. State law requires one appraisal district per county to appraise all property within that county. State law allows for the consolidation of collection activities of tax units, and that consolidation occurred in 1984. Through inter-local governmental contracts, the appraisal district collects approximately \$231 million that supports the operations of the county, cities, and schools within Taylor County.

Property taxes, also called ad valorem taxes, are locally assessed taxes. The District appraises property located within Taylor County, while local taxing units set tax rates. Property taxes provide more tax dollars for local services in Texas than any other source; they help pay for public schools, libraries, playgrounds, city streets, county roads, police, fire protection, emergency medical service, and many other services. The District serves twenty-one entities located inside and outside of Taylor County.

APPRAISAL DISTRICT RECOGNITION AND CHANGES

The Taylor CAD continues to be recognized state-wide as a leader in the accuracy of appraisal and the use of technology to improve appraisals and efficiency of the office. For the past eight years, the District has maintained the designation of “Excellence in Assessment Administration” governed by the International Association of Assessing Officers and joins other excellent assessment jurisdictions in the nation to maintain the designation. The District continues to achieve outstanding results while maintaining a cost per parcel significantly less than most metropolitan appraisal districts. The appraisal budget of the District for 2021 is \$2,406,195 or \$29.20 per parcel. For the past ten years, the appraisal district has maintained a 98 to 100 percent ratio that measures District appraisals against market value and verified through an annual audit coordinated by the State Comptroller’s Property Tax Assistance Division. In the recent Methods and Procedures (MAPs) audit by the State Comptroller’s office of Texas, Taylor CAD was recognized as “Meeting Expectations” in all categories measured against the international standards of assessment.

ENTITIES SERVED (21)

County

Taylor County

Cities

Abilene

Buffalo Gap

Merkel

Tuscola

Tye

Lawn

Trent

Impact

Bradshaw

School Districts

Abilene

Wylie

Merkel

Jim Ned

Trent

Blackwell

Eula

Clyde

Winters

SPECIAL DISTRICTS

Lytle Water Control Improvement District

Valley Creek Water Control District

BOARD OF DIRECTORS

The Board of Directors of the Central Appraisal District of Taylor County (hereinafter, “the Board”) consists of five voting members appointed by the taxing units that have property within the boundaries of the Taylor County. The Directors are nominated and elected by each governing body serving Taylor County, City of Abilene, Abilene ISD, and an aggregate vote from the remainder of the county's entities. Board members include:

- Yvonne Batts (Abilene Independent School District)
- John Stearns (Abilene Independent School District)
- Kent Lefevre (Taylor County)
- Cecil Davis (Rural Entities)
- Jessica Cantu (City of Abilene)

The board of directors has general policy-making authority and has primary responsibility for fiscal matters, including approval of significant contracts and adoption of the annual budget. The board also appoints the chief appraiser, the district's chief administrator. It selects the taxpayer liaison officer, who helps resolve disputes as a property owner goes through the appraisal process. The Office of the Chief Appraiser is primarily responsible for planning, organizing, staffing, and controlling district operations as required by the Texas Property Tax Code.

Appraisal Review Board

The Appraisal Review Board (hereinafter, “ARB”) is a quasi-judicial body. To be eligible to serve on the ARB, an individual must be a resident of the district and must have resided in the district for at least two years. In a county with a population of 120,000 or more the members of the board are appointed by the local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established. All applications submitted to the appraisal district or to the appraisal review board from persons seeking appointment as a member of the appraisal review board shall be delivered to the local administrative district judge. The appraisal district may provide the local administrative district

judge with information regarding whether an applicant for appointment to or a member of the board owes any delinquent ad valorem taxes to a taxing unit participating in the appraisal district. Members are charged with providing an impartial review of the appraisal records prepared by the District. The ARB is empowered to equalize values of all properties in the District concerning the fair market value and hear taxpayer appeals through scheduled hearings for those who dispute their appraised value. The Board appoints the chairperson and secretary of the Appraisal Review Board from among the serving members. The 2021 ARB members include:

- Randy Burchell (Chair)
- Franklin Upp (Vice-Chair)
- Mark Hoover (Secretary)
- William Core (Member)
- Iziar Lankford (Member)

Certified Values

The District's annual cycle for appraisal activities concludes after the appraisal review board submits the certified appraisal roll to the chief appraiser. The appraisal roll was certified on July 20, 2021, with less than 5.00 % of the total value in the district remaining under protest. State law requires that not more than five percent of the total value remain as unresolved property owner protests when the records are approved and certified as the appraisal roll. The taxable value for each of the twenty-one tax unit appraisal rolls was approximately \$14 billion, resulting in a 2021 ad valorem tax levy of approximately \$231 million, an increase of 4.50% percent from 2020.

In 2021, the appraisal district appraised 82,381 parcels of property with a total market value of \$14,921,871,701. All appraisals are completed by staff, and all properties are appraised annually. Typical properties within the district include 47,576 homes and 4,160 commercial properties. Unusual properties include five large wind farms, spanning across the Taylor County line reaching into Nolan County. The largest valued property, which is exempt, is Dyess Air Force Base, valued at more than 2.8 billion dollars. Dyess is one of the primary economic drivers for the county seat of Taylor County, Abilene. Other critical economic influences include a major regional hospital, three universities and a junior college, agriculture, oil and gas, and several small industries.

PROPERTY TYPES AND VALUES-TAYLOR CAD		
Property Type	Market Value	Percentage
Single Family Residential	\$ 5,756,270,902	38.58%
Multi-family Residential	\$ 488,568,052	3.27%
Vacant Lots	\$ 112,821,104	0.76%
Qualified Open Space	\$ 792,139,065	5.31%
Rural Land, NON Qualified	\$ 662,148,585	4.44%
Commercial & Industrial Real Estate	\$ 2,044,975,581	13.70%
Commercial & Industrial Personal	\$ 957,542,840	6.42%
Oil and Gas	\$ 30,105,329	0.20%
Utilities	\$ 606,581,505	4.07%
Residential Inventory	\$ 7,944,086	0.05%
Miscellaneous Property	\$ 87,720,493	0.59%
Totally Exempt Property	\$ 3,375,054,159	22.62%
Total	\$ 14,921,871,701	100.00%

PROPERTY TYPES AND VALUE DISTRIBUTION



Most of the tax units offer some level of homestead exemption to 28,886 residential homesteads in the county. All schools are required to grant a \$25,000 value exemption to regular homesteads and an additional \$10,000 of value to Over-65 and disabled persons. Other tax units may grant a percentage homestead up to 20% based on annual decisions by their governing body or voters. Additionally, any amount of exemption may be set by tax units for the Over-65 or disabled, including schools that would provide an additional exempt amount to the state-mandated exemptions.

2021 TAYLOR COUNTY EXEMPTION BREAKDOWN				
Exemption	Count	Local	State	Total
Disabled Person	614	\$ 10,998,297	\$ -	\$ 10,998,297
Disabled Veteran	2,314	\$ -	\$ 20,742,804	\$ 20,742,804
Disabled Veteran S	175	\$ -	\$ 1,220,101	\$ 1,220,101
Disabled Veteran HS	963	\$ -	\$ 188,196,311	\$ 188,196,311
Disabled Veteran HSS	116	\$ -	\$ 15,902,379	\$ 15,902,379
Exempt	5,957	\$ -	\$ 3,374,918,107	\$ 3,374,918,107
Homestead	28,886	\$ 134,663,171	\$ -	\$ 134,663,171
Over 65	11,130	\$ 208,606,844	\$ -	\$ 208,606,844
Over 65S	1,144	\$ 21,028,994	\$ -	\$ 21,028,994
Pollution Control	7	\$ 1,670,731	\$ -	\$ 1,670,731
Totals =	51,306	\$ 376,968,037	\$ 3,600,979,702	\$ 3,977,947,739

Dyess Air Force Base is the largest valued exempt property, followed by Abilene Christian University, Hardin-Simmons University, Hendrick Medical Center, and McMurry University. Other totally exempt properties include typical properties such as public schools, churches, city, and county-owned properties, as well as numerous charitable organizations.

Total new value taxable for 2021 was certified at \$196,075,001 to the appraisal roll for Taylor County. New market value distribution accounted for \$134,159,145 in single-family residence and \$39,357,882 in commercial property.

INTERNAL AND STATE RATIO STUDIES

The Comptroller of Public Accounts Property Tax Assistance Division (PTAD) conducts the Property Value Study (hereinafter, “PVS”) to estimate a school district’s taxable property value. The Texas Property Tax Assistance Division completed the last ratio study summary in 2019.

In conducting the PVS, PTAD analyzes certain property categories, according to generally accepted sampling and statistical techniques, to estimate their legally required value, which is usually market value. Certain property, including industrial property, special inventory property, taxable non-business personal property, and most property categories with 5 percent or less than a school district’s tested categories’ value, is excluded from the PVS.

The Comptroller’s ratio study determined that the District appraised all property in Taylor County at 98% of the market value, which is within limits set by the confidence interval of 95% -

105% of market value. The level of appraisal shows whether the CAD has appraised properties at 100 percent of the legally required level—normally the market value. The uniformity of appraisal indicates how much the percentage of market value varies from property to property.

The coefficient of dispersion (COD) was 6.89. The COD measures how tightly or loosely the individual sample ratios are clustered around the median. The Tax Code requires the Comptroller's office to calculate a COD around the median for each major property category. The COD is one measure of appraisal uniformity.

Technically, the COD expresses, as a percentage of the median, the average absolute deviation of the appraisal ratios in a sample from the sample's median. A high COD indicates high variation—few ratios close to the median and low appraisal uniformity. A low COD indicates low variation—ratios clustered tightly around the median and high appraisal uniformity. The price-related differential (PRD) was .98. The PRD measures another form of inequity that may arise from systematic differences in the appraisal of low-value and high-value properties. The IAAO's 2013 Standard on Ratio Studies states the following:

- When low-value properties are appraised at greater percentages of market value than high-value properties, assessment regressivity is indicated. When low-value properties are appraised at smaller percentages of market value than high-value properties, assessment progressivity is the result. Appraisals made for tax purposes, of course, should be neither regressive nor progressive.

Progressive and regressive appraisals result in an inequity called vertical inequity.

PTAD calculates the PRD for each property category included in the PVS if the sample contains at least five properties by dividing a sample's mean ratio by its weighted mean ratio. The IAAO standard for this measure is 0.98 to 1.03, with PRDs below this range indicating progressivity and measures above this range indicating regressivity. A PRD inside this range indicates the CAD is treating low-value and high-value properties uniformly. In the District case, a PRD of .98 indicates uniformity.

The internal ratio study indicated a weighted mean of 99.03% and an average mean of 98.95%. The COD was 8.22, and the PRD was .99. The internal ratio for all categories of the property reflects equality and uniformity for all taxpayers within the boundaries of Taylor County.

PROPERTY OWNER PROTESTS and APPEALS

In 2021, property owners and professional tax consultants filed 4,854 protests, an increase of 7.87% over the 2020 protest volume of 4,500. Of those filed, 4,564 were handled informally by staff, while 290 final value orders were delivered to taxpayers from the Appraisal Review Board. Of the total 1998 cause numbers sent to the ARB, 1,708 were withdrawn before the formal hearing. The total improvement value appealed for the 2021 year was \$3,191,528,222. After the

informal and formal protest period, the value of the total appeal was decreased by 12.31%, resulting in an adjusted improvement value of \$2,798,661,792. The ARB approved all appraisal records on July 20, 2021.

The following table represents the primary category change of value:

2021 CATEGORY VALUE CHANGE AFTER APPEALS					
CATEGORY		PREMILARY VALUE		CERTIFIED VALUE	
REAL COMMERCIAL PROPERTY		\$ 879,856,720		\$ 821,244,702	-6.66%
PERSONAL PROPERTY		\$ 232,181,206		\$ 199,550,143	-14.05%
RESIDENTIAL SINGLE FAMILY		\$ 361,110,888		\$ 335,876,761	-6.99%
RESIDENTIAL MULTI FAMILY		\$ 416,900,663		\$ 372,910,668	-10.55%
TOTALS =		\$ 1,890,049,477		\$ 1,729,582,274	-8.49%

Generally, property owners may protest appraised values placed on their property or if their property was equally appraised before the time the appraisal rolls are approved and certified. The protest period is typically conducted from May to August each year. Property owners usually resolve disagreements about their appraised value, exemptions, or other issues in a meeting with a district appraiser. If no agreement is reached informally, the property owner is heard before a five-member panel of the Appraisal Review Board. The panel makes its final determination and mails a certified “order” of action to the taxpayer within two days of the final decision.

Litigation

If taxpayers are dissatisfied with the ARB’s findings, they have the right to appeal its decision to the state district court in Taylor County. Within 60 days of receiving the ARB's written order, the taxpayer must file a petition for review with the district court.

Taxpayers are also required to make a partial payment of taxes, usually the amount of taxes that are not in dispute before the delinquency date (February 1). They may ask the court to excuse them from prepaying taxes; to do so, they must file an oath attesting to their inability to pay the taxes in question and argue that prepaying the taxes restrains their right to go to court on the protest. The court will hold a hearing and decide the terms or conditions of the payment.

The following table represents active lawsuits filed after the final orders were delivered to taxpayers in 2021. Total 2021 certified value held in litigation is \$112,520,001.

Owner	Prop	Geo ID	Year Status	Cause #	Certified
ABILENE INNS LLC	23654	61700000400	2021 Active	12539-D	\$ 3,228,000
CAPX VENTURES FUND I LLC	58812	36710000100	2021 Active	12531-D	\$ 7,432,970
CAPX VENTURES FUND I LLC	59098	36710000300	2021 Active	12531-D	\$ 775,695
CAPX VENTURES FUND I LLC	59274	47545000100	2021 Active	12531-D	\$ 683,130
CAPX VENTURES FUND I LLC	59403	36710000500	2021 Active	12531-D	\$ 6,623,951
CAPX VENTURES FUND I LLC	59535	36710000600	2021 Active	12531-D	\$ 2,997,255
EXOTICA LANDSCAPES LLC	38539	A0773000500	2021 Active	12546-D	\$ 1,244,000
HERITAGE INN NUMBER XVI	36415	24125003000	2021 Active	51155-A	\$ 3,473,000
HERITAGE INN NUMBER XVII	37207	24125003600	2021 Active	51155-A	\$ 3,082,000
MCRT ABILENE 1 LP	67250	58030000500	2021 Active	12529-D	\$ 4,891,000
MCRT ABILENE 2 LP	113880	27690000100	2021 Active	12529-D	\$ 5,723,000
PARTNERS MALL ABILENE LLC	55553	46050000100	2021 Active	51128-A	\$ 33,400,000
SMV INDIAN RUN LP	39061	24125005100	2021 Active	51143-A	\$ 15,431,000
SMV STONEGATE LP	63166	63300000200	2021 Active	28418-B	\$ 6,308,000
TOWNHOMES AT SUNSET ARBOR LP	101074	62435000100	2021 Active	28429-B	\$ 6,130,000
UDI Property	1005243	44400000200	2021 Active	28397-B	\$ 11,097,000
Lawsuit Totals =					\$ 112,520,001

Binding Arbitration

Rather than filing suit in state district court, property owners may appeal the Appraisal Review Board decision through binding arbitration. In 2021, the District did not receive a request for arbitration. The total 2021 certified value held in arbitration is \$5,228,311.

Year	ID	Arbitration #	Status Date	Owner	Jurisdictions	Certified Values
2021	1060112	221 21 000001	8/24/2021	Cheddars Scratch Kitchen	GTA, SAB, CAB	\$ 793,791
2021	87223	221 21 000002	8/24/2021	Olive Garden of Texas LLC	GTA, SAB, CAB	\$ 346,520
2021	63338	221 21 000003	9/13/2021	Blanton & Armstrong	GTA, SAB, CAB	\$ 1,000,000
2021	23931	221 21 000004	9/14/2021	South Clack Street LLC	GTA, SAB, CAB	\$ 1,872,000
2021	53422	221 21 000005	9/14/2021	Westwood Abilene LLC	GTA, SAB, CAB	\$ 1,216,000
Arbitrations Totals						\$ 5,228,311

DISTRICT PERSONNEL

Number of Personnel	29
Chief Appraiser / Administration	3
Information Technology	2
Exemption Administration	2
Collections Services	4
Appraisal Services	13
Ownership/Mapping Services	5

Professional Staff Designations

Registered Professional Appraisers (RPA)	
Administration / Management	4
Field Appraisers	8
Registered Tax Assessor Collector (RTA)	
Administration / Management	5

LEGISLATIVE CHANGES

The house of representatives, together with the state senate, constitute the Texas Legislature. The duties of the legislature include consideration of proposed laws and resolutions, consideration of proposed constitutional amendments for submission to the voters, and appropriation of all funds for the operation of state government. All bills for raising revenue considered by the legislature must originate in the house of representatives. The house alone can bring impeachment charges against a statewide officer, which charges must be tried by the senate.

The Legislature of the State of Texas, operating under the biennial system, convenes its regular sessions at noon on the second Tuesday in January of odd-numbered years. The maximum duration of a regular session is 140 days. The governor is given authority under the state constitution to convene the legislature at other times during the biennium. Such sessions are known as called or special sessions and are reserved for legislation that the governor deems critically important in the conduct of state affairs. Called sessions are limited to a period of 30 days, during which the legislature is permitted to pass laws only on subjects submitted by the governor in calling for the session.

The **87th Texas Legislature** passed hundreds of bills and killed many, many more during the 140-day legislative session. From the multi-billion-dollar state budget to a list of bills that would amend the Texas Constitution, the Texas Legislature maintained a focus on local government spending and property tax law.

State budget

The Texas Legislature's two-year, \$248 billion state budget is headed to the governor's desk after the House advanced the proposal Thursday, completing months-long negotiations between the two chambers.

The spending plan, Senate Bill 1, is "a bill that each and every one of us can be very proud of, and it represents the priorities for Texans across the state," said state Rep. Greg Bonnen, a Friendswood Republican and the House's chief budget writer, on the House floor as he laid out the legislation.

The House's 142-6 vote for SB 1 comes a day after the Senate unanimously approved the compromise, which state Sen. Jane Nelson, a Flower Mound Republican and chair of the Senate Finance Committee, said in a statement "is compassionate, responsible and meets the needs of our growing state."

Once the 2022-23 spending plan lands on Gov. Greg Abbott's desk, he will have the power to veto individual line items he objects to.

As passed by the Legislature, SB 1 would spend over \$116 billion in general revenue and does not tap into the state's Economic Stabilization Fund, also called the rainy-day fund. That \$116 billion matches Comptroller Glenn Hegar's most recent projection at the beginning of the month for state funds available for the next biennium — and it is an increase of \$3 billion from his last estimate.

The approved \$248 billion in SB 1 is about a \$13.5 billion decrease from the 2020-21 budget cycle, thanks largely, if not all, to federal funding for coronavirus relief.

Questions over who should have a say in how that funding is spent have been a major point of discussion this session as lawmakers have moved through the budget-writing process.

The final version of SB 1, which lawmakers from both chambers negotiated behind closed doors, includes language that Bonnen said "works in concert with" Abbott's recent announcement that he plans to place the allocation of nearly \$16 billion in federal funds on the Legislature's plate for a planned special session in the fall.

That \$16 billion, Bonnen said Thursday, is money that "is simply not appropriated, so it's not available, and it won't be available, until we appropriate it in a special session in a few months."

The language differs from what the House included in its version of the budget that it passed in April, which had a provision unanimously approved by the chamber that aimed to ensure the Legislature would have a say in how that federal relief money is spent.

SB 1, Bonnen said, also fully funds the state's commitment to better fund public education, which state lawmakers acted on in 2019 via House Bill 3, a wide-ranging bill that reformed the state's school finance system.

The budget also includes \$8.6 billion for higher education, including \$486 million to fund enrollment growth, which was added into the budget at the last minute and is seen as a victory for colleges, universities, and health-related institutions.

It also includes \$110 million for need-based financial aid for students at two- and four-year schools, though the additional funding would not cover every Texas college student who qualifies for this financial aid. Higher education officials estimate 56% of eligible four-year college students will be served with Texas Grants.

Some lawmakers also lamented that public historically Black colleges and universities remain underfunded, despite large appropriations requests this session. Lawmakers said Texas Southern University students are living in moldy dorms, and some have broken air-conditioning units.

New Texas Property Tax Law

HB 988 – Relating to ad valorem taxation; creating a criminal offense. Property ID changes require Appraisal Notice 1/1/2022. There are no changes needed. The current appraisal notice process allows for inclusion of newly created properties and value increases.

HB 2429 – Relating to the alternate provisions for ad valorem tax rate notices when the de minimis rate of a taxing unit exceeds the voter-approval tax rate. TNT Requirements Immediate. This was deployed to the TNT application in August 2021.

HB 2723 – Relating to public notice of the availability on the internet of property tax-related information PPT global site: [Texas.gov/property taxes](https://www.texas.gov/property-taxes), URL's provided. Changes to NOAV Immediate. This is pending Comptroller form updates.

HB 3833 – Relating to the appraisal of certain real property for ad valorem tax purposes. No additional interest applies to 1-D-1 rollbacks Immediate. The changes were included in the R45 Release that was available in August 2021.

SB 63 – Relating to the property tax appraisal system, including an entitlement to a tax exemption based on the appraised value of certain renewable energy devices Notice of Protest changes. One box for Q1 & Q2 9/1/2021. This is pending Comptroller form updates.

SB 1438 – Relating to the effect of a disaster on the calculation of certain tax rates and the procedure for adoption of a tax rate by a taxing unit TNT Requirements Immediate. This was deployed to the TNT application in August 2021.

SB 1449 – Relating to the exemption from ad valorem taxation of income-producing tangible personal property having a value of less than a certain amount. Increases from \$500 to \$2500 value 1/1/2022. The changes were included in the R45 Release that was available in August 2021.

SB8 – Relating to the qualification and proration of homestead exemption. Allows Homestead Exemption to be prorated within PACS 1/1/2022. This change will entail the flag for exempt type 'HS' be turned on to prorate. There is no other programming needed.

SB12/SJR2 – Relating to property tax relief for those who have the over 65 or disabled person ceiling that did not realize any property tax relief from the rate compression for schools under HB3 of the 86th session. This will affect the Freeze/Refreeze functionality in 1/1/2023.