

CENTRAL APPRAISAL DISTRICT
OF
TAYLOR COUNTY
2024 ANNUAL REPORT





Central Appraisal District of Taylor County

With a sincere commitment to support an environment of transparency, I present the 2024 Annual Report for the Central Appraisal District of Taylor County (hereinafter, "the District"). The Annual Report for 2024 provides summary information about the District's operations and 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.

The District holds a Certificate of Excellence in Assessment Administration from the International Association of Assessing Officers. The certificate 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 inside and outside Taylor County. 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 equity and uniformity in appraisal values to support school funding.

Our team takes immense pride in setting the standard for providing complete, accurate, and timely information to taxing jurisdictions while providing property owners with clear, concise, and easily understood information. It is our goal to develop innovative technology that promotes best practices during property analysis and create programs supported with procedures that lower operation costs.

I thank you for taking the time to review the 2024 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 \$265 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 in 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 services, 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 statewide as a leader in the accuracy of appraisal and the use of technology to improve appraisals and the 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 joined other excellent assessment jurisdictions in the nation to maintain the designation. The District continues to achieve outstanding results while maintaining a cost per parcel comparable to other Texas metropolitan appraisal districts. The appraisal budget of the District for 2024 is \$2,959,465 or \$34.96 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 assessment standards.

ENTITIES SERVED (21)

<u>County</u>	<u>Cities</u>	<u>School District</u>	<u>Special Utility Districts</u>
Taylor	Abilene	Abilene	Lytle Water Control Improvement District
	Buffalo Gap	Wylie	Valley Creek Water Control District
	Merkel	Merkel	
	Tuscola	Jim Ned	
	Tye	Trent	
	Lawn	Blackwell	
	Trent	Eula	
	Impact	Clyde	
	Bradshaw	Winters	

BOARD OF DIRECTORS

The Board of Directors of the Central Appraisal District of Taylor County (hereinafter, "the Board") consists of nine voting members appointed by the taxing units with property within the boundaries of Taylor County. The Directors are nominated and elected by each governing body serving Taylor County, the 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)
- Bob Benham (Public Member)
- Larry Bell (Public Member)
- Bo Dunigan (Public Member)
- Kay Middleton (County Assessor-Collector)

The board of directors has general policy-making authority and is primarily responsible 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 the Texas Property Tax Code requires.

Appraisal Review Board

The Appraisal Review Board (hereinafter, "ARB") is a five-member citizens' Board. 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 board members are appointed by the local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county where the appraisal district is established. All applications submitted to the appraisal district seeking appointment as an appraisal review board member 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 or a board member 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 the 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 2024 ARB members include:

- Mark Hover (Chair)
- Izlar Lankform (Vice-Chair)
- William (Bill) Core (Secretary)

- Lauren Partin (Member)
- Herman Ledbetter (Member)
- Juan Carlos Rodriguez (Member)
- Juanita Fielden (Member)
- Jerry Mash (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, 2024, 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 protests when the records are approved and certified as the appraisal roll. The market value for Taylor County on the appraisal rolls was approximately \$19.1 billion, resulting in a 2024 ad valorem tax levy of roughly \$261 million, a market value increase of 8.34% from 2023.

In 2024, the appraisal district appraised 84,642 parcels with a total market value of \$20,450,697,906. All appraisals are completed by staff, and all properties are appraised annually. Typical properties within the District include 49,633 homes and 4,262 commercial properties. Unusual properties include five large wind farms spanning across the Taylor County line and reaching into Nolan County. The most valued property, exempt, is Dyess Air Force Base, valued at more than 2.8 billion dollars. Dyess is one of the primary economic drivers for 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	\$ 8,367,976,024	40.92%
Multi-family Residential	\$ 698,181,712	3.41%
Vacant Lots	\$ 138,791,977	0.68%
Qualified Open Space	\$ 1,322,490,800	6.47%
Rural Land, NON Qualified	\$ 1,012,936,898	4.95%
Commercial & Industrial Real Estate	\$ 2,544,452,525	12.44%
Commercial & Industrial Personal	\$ 1,246,168,301	6.09%
Oil and Gas	\$ 40,878,634	0.20%
Utilities	\$ 988,376,462	4.83%
Residential Inventory	\$ 8,559,107	0.04%
Miscellaneous Property	\$ 109,625,104	0.54%
Totally Exempt Property	\$ 3,970,542,629	19.42%
Total =	\$ 20,448,980,173	100%

PROPERTY TYPES AND VALUE DISTRIBUTION



Most tax units offer homestead exemption to 30,270 residential homesteads in the county. All schools must grant a \$100,000 value exemption to regular homesteads and an additional \$10,000 value exemption 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.

TAYLOR COUNTY EXEMPTION BREAKDOWN				
Exemption	Count	Local	State	Total
CHODO	2	\$ 2,931,000		\$ 2,931,000
Disabled Person	670	\$ 11,109,918	\$ -	\$ 11,109,918
Disabled Veteran	2,538	\$ -	\$ 20,890,475	\$ 20,890,475
Disabled Veteran S	200	\$ -	\$ 1,323,416	\$ 1,323,416
Disabled Veteran HS	1,406	\$ -	\$ 394,716,464	\$ 394,716,464
Disabled Veteran HSS	159	\$ -	\$ 27,272,205	\$ 27,272,205
Exempt	6,717	\$ -	\$ 3,962,744,279	\$ 3,962,744,279
First Responders Spouse	2	\$ -	\$ 240,291	\$ 240,291
Homestead	30,270	\$ 141,584,624	\$ -	\$ 141,584,624
Over 65	11,935	\$ 223,421,661	\$ -	\$ 223,421,661
Over 65S	1,241	\$ 22,372,247	\$ -	\$ 22,372,247
Pollution Control	44	\$ 33,079,057	\$ -	\$ 33,079,057
Totals =	\$ 55,184	\$ 434,498,507	\$ 4,407,187,130	\$ 4,841,685,637

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 exempt properties include typical properties such as public schools, churches, city- and county-owned properties, and numerous charitable organizations.

The total new value taxable for 2024 was certified at \$349,209,,617 to the appraisal roll for Taylor County. New market value distribution accounted for \$211,872,669 in single-family residences and \$94,302,679 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 2021.

In conducting the PVS, PTAD analyzes specific property categories, according to generally accepted sampling and statistical techniques, to estimate their legally required value, usually market value. Certain properties, 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, are 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, 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—usually 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 significant 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 shows 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:

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

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

If a sample category contains at least five properties, PTAD calculates the PRD for each property category in the PVS 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 measurements 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 2024, property owners and professional tax consultants filed 7,075 protests, an decrease of 16.46% over the 2023 protest. Of those filed, 6,378 were handled informally by staff, while 697 final value orders were delivered to taxpayers from the Appraisal Review Board. Of the 4,009 cause numbers sent to the ARB, 281 were withdrawn, and 2,369 were settled before the formal hearing. The total market value appealed for the 2024 year was \$3,455,207,978. After the informal and formal protest period, the value of the total appeal was decreased by 8.25%, resulting in an adjusted market value of \$3,170,082,269. The ARB approved all appraisal records on July 20, 2024.

The following table represents the primary category change of value:

CATEGORY VALUE CHANGE AFTER APPEALS					
CATEGORY		PRELIMINARY VALUE		CERTIFIED VALUE	
REAL COMMERCIAL PROPERTY		\$ 1,575,330,886		\$ 1,454,191,996	-7.69%
PERSONAL PROPERTY		\$ 254,119,852		\$ 242,329,402	-4.64%
RESIDENTIAL SINGLE FAMILY		\$ 957,497,509		\$ 900,717,788	-5.93%
RESIDENTIAL MULTI FAMILY		\$ 668,259,731		\$ 572,843,083	-14.28%
TOTALS =		\$ 3,455,207,978		\$ 3,170,082,269	-8.25%

Generally, property owners may protest appraised values placed on their property or if it was equally appraised before the appraisal roll is 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 can 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 pay partial taxes, usually the amount of taxes that are not disputed 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 2024. The total 2024 certified value held in litigation is \$171,368,001.

LITIGATION						
Suit Year	Suit Filed	PID	Owner Name	Jurisdictions	Cause No.	Value
2024	7/25/2024	1002028, 1014123, 1061069	TIGRIS XIII, XX, XXV LLC	GTA, SWY, CAB	29240-B	\$47,500,000
2024	8/26/2024	58812, 59095, 59274, 59403, 59535	CAPX VENTURES FUND	GTA, SAB, CAB	52006-A	\$28,211,001
2024	8/26/2024	63166	SMV STONEGATE LP	GTA, SAB, CAB	13392-D	\$7,128,000
2024	8/26/2024	39061	SMV INDIAN RUN LP	GTA, SAB, CAB	29265-B	\$15,894,000
2024	9/12/2024	58153	BEL AIR ON 25TH, LLC	GTA, SAB, CAB	13402-D	\$6,453,000
2024	9/12/2024	45234, 47237	BEL AIR CREEKSIDE, LLC	GTA, SAB, CAB	29274-B	\$12,734,000
2024	9/12/2024	21225	BEL AIR SPRINGS, LLC	GTA, SAB, CAB	29275-B	\$5,284,000
2024	9/12/2024	63044	BEL AIR WEST LLC	GTA, SAB, CAB	52017-A	\$5,327,000
2024	9/12/2024	15919	BEL AIR ESTATES LLC	GTA, SAB, CAB	52019-A	\$4,607,000
2024	9/17/2024	113880, 67250	MCRT ABILENE 1 & 2 LP	GTA, SAB, CAB	29278-B	\$18,070,000
2024	9/23/2024	102066	BALAJI PLANO LLC	GTA, SAB, CAB	13408-D	\$6,056,000
2024	9/23/2024	108413	AMBIKA ABILENE HOSP	GTA, SWY, CAB	52024-A	\$3,700,000
2024	9/26/2024	102181	COLBY B. SANDLIAN	GTA, SAB, CAB	29285-B	\$2,224,000
2024	9/23/2024	972017	DBF IDGT MONTEREY	GTA, SAB, CAB	52023-A	\$1,830,000
2024	9/23/2024	23654	ABILENE INNS LLC	GTA, SAB, CAB	13407-D	\$6,350,000
						\$171,368,001

Binding Arbitration

Property owners may appeal the Appraisal Review Board decision through binding arbitration as an alternative to filing suit in state district court if the value determined by the ARB does not exceed five million. In 2024, the District received three requests for arbitration. The total 2024 certified value held in arbitration is \$359,267.

ARBITRATION						
Year	Filed	PID	Owner Name	Jurisdictions	Cause No.	Value
2024	7/20/2024	96067	ROLISON RICHARD S & CRYSTAL	GTA, SWY	221 24 000002	\$359,267
2023	9/17/2024	64795	TREVINO MARIA VELASQUEZ	GTA, SAB, CAB		\$31,498
2024	6/25/2024	59576	UNIQUE3 SOLUTIONS LLC	GTA, SAB, CAB	221 24 000005	\$125,000
						\$359,267

DISTRICT PERSONNEL

Number of Personnel	34
Chief Appraiser / Administration	4
Information Technology	2
Exemption Administration	4
Collections Services	6
Appraisal Services	14
Ownership/Mapping Services	4

Professional Staff Designations

Registered Professional Appraisers (RPA)	
Administration / Management	4
Field Appraisers	2
Registered Tax Assessor-Collector (RTA)	
Administration / Management	5

LEGISLATIVE CHANGES

The House of Representatives and the state Senate constitute the Texas Legislature. The Legislature's duties 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 the Senate must try.

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 called special and reserved for legislation that the governor deems critically essential in state affairs. Called sessions are limited to 30 days, during which the Legislature is permitted to pass laws only on subjects submitted by the governor in calling for the session.

The **88th Texas Legislature** passed hundreds of bills and killed 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 focused on local government spending and property tax law.

State budget

The \$321.3 billion spending plan that Texas lawmakers approved for the next two years is balanced, and the Comptroller certified the 1,115-page plan doesn't spend more money than the state expects to bring in. Passing a balanced budget is the only task the Texas Constitution requires of lawmakers during their regular session every two years.

Several constitutional amendments to be decided by voters will ultimately determine how much money is left in state coffers at the end of the two-year cycle — including a \$1.5 billion effort to expand broadband, a \$1 billion Texas Water Fund to pay for infrastructure, and potentially a homestead exemption if lawmakers agree on a property tax-relief plan.

The General Appropriations Act for 2024-25 was passed in the final 48 hours of the 88th Legislature's 140-day regular session, which adjourned on May 29.

The Texas Comptroller told lawmakers at the beginning of the session that they would have \$188.2 billion in general revenue to work within their budget process, including a historic \$32.7 billion surplus. The 2024-25 budget allocates some \$144 billion in state tax money — including half of the surplus — toward tax cuts, improving mental health access, pay raises for state employees, border security, state parks expansions, and the state's energy grid, plus infrastructure for broadband and water.

It fills the state's emergency coffers and highway funds and makes payments toward stabilizing its retirement investment fund. It includes pay raises for employees of state agencies and retired teachers.

Combined with a separate spending bill that put another \$7 billion of the surplus toward current-cycle needs — such as replacements for the state's aging vehicle fleets, new parkland acquisition, flood mitigation projects, school safety measures, and mental health hospitals — the budgets leave \$10 billion in projected revenue unspent for the next two years. The supplemental bill was certified and sent to the governor Monday.

That leaves the spending plan well below the constitutional requirement that lawmakers spend less than the \$188 million available. And at a 10.5% increase in tax spending over the current cycle, the budget comes in well under the state's constitutional and statutory caps on spending increases that state leaders set at 12.3%.

The House passed the budget 124-22. Senators approved it 29-2.

New Texas Property Tax Law

The centerpiece of the package is Senate Bill 2. It lowers the school property tax rate for all homeowners and business properties. And Texas homeowners will also see their homestead exemption increase from \$40,000 to \$100,000. Homeowners over 65 and disabled will see their homestead exemption rise to \$110,000.

SB 2 also includes a "circuit breaker" provision for non-homesteaded residential and commercial properties. This will limit the annual growth of tax bills for all such properties worth \$5 million or less to no more than 20 percent under a three-year pilot project. The bill contains a provision that will let voters in counties of more than 75,000 people elect three members of their countywide appraisal boards starting in May 2024.

A second bill, SB 3, will provide franchise tax relief for small business owners. Both the House and Senate approved House Joint Resolution 2, which will put a constitutional amendment in place to enact the property tax cuts on the November ballot. "Texans should take note of the November 7, 2024, constitutional amendment election date so they can vote in favor of this historic tax relief and several other key measures for the future of our state," said Lieutenant Governor Dan Patrick in a statement after the Senate unanimously passed HJR 2.

The voting did not come without some drama. House Democrats attempted to introduce a series of amendments to SB 2, all of which Republicans blocked as not germane to the governor's special session proclamation. Representative Gene Wu (D-Houston) tried unsuccessfully to attach an amendment that would have extended property tax relief to renters.

Even so, the measures passed with overwhelming bipartisan support. "The passage of this \$18 billion package is a testament to the unwavering commitment of Texas leaders to address the concerns of taxpayers and provide significant relief from the burden of escalating property taxes," said House Speaker Dade Phelan in a statement.

Following HJR 2's signature in the House, Speaker Phelan adjourned the chamber sine die, effectively ending the second special session of the 88th Legislature.