

# ANGELINA COUNTY APPRAISAL DISTRICT

## 2016 LOCAL ANNUAL REPORT

The Angelina County Appraisal District has prepared and published this report to notify and inform the Board of Directors, taxing entities, and citizens of Angelina County of pertinent information containing the activities, accomplishments, and policies of the appraisal district, as well as statistical information of public interest for the current tax year. This report is prepared annually by the chief appraiser and is completed in compliance with the *International Association of Assessing Officers' Standard on Public Relations*.

### **Valuation & Administrative Standards and Policies**

The Angelina County Appraisal District is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. The appraisal district is responsible for local property tax appraisal and exemption administration for all jurisdictions or taxing units in the county. The appraisal district updates values each year to assure that all properties are valued at fair market value as of the appraisal date (January 1). The Appraisal District is governed by a board of 10 directors who are elected by the taxing units within the boundaries of Angelina County. The chief appraiser, appointed by the Board of Directors, is the chief administrator and chief executive officer of the appraisal district. The Board of Directors approves the budget and reviews expenditures over the course of each fiscal year. Additionally, the BOD also appoints the Appraisal Review Board and Agricultural Advisory Board.

The taxing entities are as follows: Angelina County, Angelina College, City of Diboll, City of Hudson, City of Huntington, City of Lufkin, City of Zavalla, Central I.S.D., Diboll I.S.D., Hudson I.S.D., Huntington I.S.D., Lufkin I. S. D., Zavalla I. S. D., Colmesneil I.S.D., Wells I.S.D., Angelina County Fresh Water Districts 1,3, and 4.

The appraisal district's standards and policies of valuation and administration are available upon request. The District determines the market value of a property using mass appraisal standards and techniques which comply with the *Uniform Standards of Professional Appraisal Practices (USPAP)*. All manuals comply with the *Texas Property Tax Code, Uniform Standards of Professional Appraisal Practice, International Association of Assessing Officers' Standards*, as well as other generally accepted standards. The appraisal district operates using appraisal manuals specific to general types of property, office administration manuals, assessment appeals manuals, and personnel policies and procedures manuals. The reappraisal of property is completed in accordance with the appraisal district's most recently adopted reappraisal plan. Standards and policies for the valuation process of the appraisal district comply with the *Texas Property Tax Code*, as well as other generally accepted appraisal methods and techniques. All property is appraised in an equal and uniform manner. All property must be appraised at market value, as defined by the *Texas Property Tax Code*. To determine the value of taxable property, the appraisal district uses the cost, market, and income approaches to value.

Appraisers hired by the District, are subject to requirements set forth by the Property Taxation Professional Certification Act which was passed by the 68<sup>th</sup> Legislature. Appraisers are required to register with the Texas Department of Licensing and Regulation (TDLR) before performing appraisals. Appraisers are required to successfully complete a series of educational courses towards certification and designation as a Registered Professional Appraiser (RPA). In order to obtain an RPA designation, appraisers must effectively complete the course requirements within five years from the date of registration. Once an appraiser has obtained their certification, they must recertify on a biannual basis, and must include two hours of ethic training, seven hours of USAP, and a law and rule update course set by the state legislature. The District currently employs 6 certified RPA's and 2 appraisers working towards their certification.

### **2016 Valuation Summary**

- Residential Parcels
  - 1.173% increase in value from the previous year with 187 new accounts and new market value of \$31,235,378.
- Commercial Parcels
  - 0.931% increase in value from the previous year with 30 new accounts and new value market of \$5,138,290.
- Agricultural Parcels
  - 0.534% decrease in value from the previous year with a decrease of about 0.30% in acreage (1125.1 acres) and value loss of \$4,965,286.

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## Total Values

The Angelina CAD serves the following taxing jurisdictions: Beside each taxing entity is the total market value and taxable value for each. The chart below identifies the parcel count, Category A (Residential) values, Category F (Commercial) values, Category D (Agriculture and Timber) values, and total amount of exemptions for each taxing jurisdiction.

Taxing Unit	Market Value	Taxable Value (before freeze)
Angelina County	\$5,558,162,241	\$3,917,213,399
Angelina College	\$5,557,782,411	\$4,090,562,200
City of Diboll	\$216,978,942	\$188,965,049
City of Hudson	\$158,369,776	\$140,186,737
City of Huntington	\$67,785,280	\$57,138,209
City of Lufkin	\$2,248,807,020	\$2,051,779,571
City of Zavalla	\$20,922,759	\$16,568,421
Central ISD	\$458,929,342	\$276,455,516
Diboll ISD	\$482,614,581	\$279,503,725
Hudson ISD	\$664,362,986	\$469,335,931
Huntington ISD	\$619,759,804	\$242,290,046
Lufkin ISD	\$2,900,488,498	\$2,321,333,719
Zavalla ISD	\$410,229,606	\$106,145,807

Taxing Unit	Parcel Count	Residential Category A	Commercial & Industrial Category F	Agriculture and Timber Category D	Total Amount of Exemptions
		Market Value	Market Value	Market Value	
Angelina County	65,623	2,231,875,109	607,322,713	925,342,399	764,702,680
Angelina College	65,619	2,231,875,109	607,322,713	925,342,399	590,974,049
City of Diboll	2,242	79,350,321	35,968,330	3,084,511	24,825,339
City of Hudson	2,302	111,210,379	12,553,690	7,059,470	10,590,963
City of Huntington	2,190	39,152,910	8,951,880	3,573,750	7,094,297
City of Lufkin	19,930	998,583,465	507,622,755	33,899,881	161,335,686
City of Zavalla	783	10,533,279	2,449,990	1,688,140	2,630,709
Central ISD	9,530	180,606,790	10,108,590	128,889,912	59,566,799
Diboll ISD	5,216	157,129,412	40,198,440	113,518,897	98,107,851
Hudson ISD	6,604	344,141,046	52,196,407	105,167,760	96,664,453
Huntington ISD	9,047	187,177,532	11,834,320	240,024,088	151,844,454
Lufkin ISD	29,736	1,278,599,572	488,654,776	212,223,478	373,472,194
Zavalla ISD	5,315	82,847,987	4,333,180	119,348,077	194,145,807

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## Local Appraisal Sales Ratio Study Analysis

The appraisal district is required by the *Texas Property Tax Code* to appraise all taxable property at market value as of January 1st of each year. The sales ratio determines the degree of uniformity and the median level of appraisal by the appraisal district within major categories of properties.

- Residential Median Ratio – 0.9973
- ACAD does not perform ratio studies for Commercial or Agricultural sales due to the small number of sales producing unreliable results.

## Types of Property in County

All property in the District's appraisal records is classified and assigned to one property category as established by the State Comptroller's office. Listed below are each property category and the type of property found within each category and the total market value for the county for each category.

Category	Market Value
Category A – Single Family Residential	\$2,231,695,699
Category B – Multifamily Residential	\$54,239,341
Category C – Vacant Lots	\$94,301,233
Category D – Rural Land (Agriculture & Timber)	\$925,342,399
Category F – Commercial & Industrial	\$607,322,713
Category G – Oil, Gas, Minerals	\$13,946,220
Category J – Utilities	\$230,290,030
Category L – Personal Property	\$602,741,245
Category M – Mobile Homes	\$48,749,230
Category O – Inventory	\$5,410,950
Category S – Special Inventory	\$38,461,020
<b>County Total Market Value</b>	<b>\$5,558,162,241</b>

## Appeal Data

The following is an overview of the appeals filed with Appraisal Review Board (ARB) under Section 41 of the Property Tax Code. This year the ARB held its formal hearings from 06/02/2016 to 09/08/2016.

The appraisal district received 647 protests filed under Section 41 of the Property Tax Code. The Appraisal Review Board heard 16 protests for which the Review Board determined and issued a value. The appraisal district settled 426 of the protests filed during the informal hearings process. The remaining 205 property accounts for which a protest was filed did not show for their scheduled ARB hearing and the appraisal district was unable to make any further contact with the owners/agents for the accounts.

## Legislative Changes

This section highlights recent legislative changes related to property tax. This section does not highlight all legislative changes; this information is provided solely as an informational resource.

- Residential Homestead Exemptions
  - Effective November 3, 2015, at its approval by Texas voters, Senate Bill 1 increases the residence homestead exemption from \$15,000 to \$25,000. The increase exemption is applicable for the 2015 tax year. Those over-65 or disabled homeowners with a school tax limitation had their limitation adjusted for the additional exemption amount for the 2015 tax year, using the tax amount imposed in 2014 school taxes less a tax amount determined by multiplying \$10,000 times the school district's 2015 tax rate, plus any 2015 tax attributable to new improvements made in 2014. For tax year 2015, the chief appraiser prepared supplemental appraisal records that reflect the \$25,000 exemption on applicable residence homesteads.
- Revision of the Homestead Exemption for Surviving Spouses of Totally Disabled Veterans
  - Effective January 2016, at its approval by Texas voters, HB 992 and HJR 75 grants the total homestead exemption to the surviving spouse of a totally disabled veteran who would have qualified if Section 11.131 had

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been authorized on the date the disabled veteran died. Current law, which was added in 2009 and approved for the surviving spouse in 2011 by Texas voters, did not address veterans who had died prior to those effective dates. Since approval, the exemption now applies to those surviving spouses.

## ***Achievements in Operations and Appraisal***

The appraisal district continuously works to improve efficiencies within its operations. The following activities are reviews performed to enhance the operations and appraisal performance within the appraisal district. Both reviews are performed by the Texas Comptroller's Property Tax Assistance Division, under guideline from the *Texas Property Tax Code* and Comptroller rule.

- Appraisal
  - Property Value Study  
The Property Value Study (PVS) is conducted by the Property Tax Assistance Division (PTAD) of the State Comptroller's Office to estimate a school district's taxable property value through the effectiveness of the District's appraisals. If the District's appraised values in a school district are within the acceptable range (5% of market value) then the values are certified to the Commissioner of Education. The PVS results are used for school district's state funding. Angelina CAD did not undergo a PVS in 2015, for which results would be released in 2016, but instead was under an operations review. The PVS for Angelina CAD will be conducted for 2016, for which results will be released January 2017.
- Operations
  - MAP Review  
The Methods and Assistance Program (MAP) review is conducted in accordance with Tax Code Section 5.10 (a), effective January 1, 2010, and related State Comptroller rule 9.301. The Property Tax Assistance Division (PTAD) performed the review. As part of the MAP review process, the appraisal district is required to submit, in advance of the review, electronic copies of procedures, policies, notices, manuals and related materials necessary for the completion of this review. Comptroller reviewers also collect related information at the time of the on-site review, compare appraisal district records to existing property and locate property using district maps. Each appraisal district is reviewed every other year. The review conducted by the Comptroller's Office reviews the appraisal districts: governance; taxpayer assistance; operating procedures; and appraisal standards, procedures and methodology. Angelina County underwent a MAP Review in 2015, for which the results were released in January 2016.

### ▪ **Angelina County Appraisal District Ratings:**

<b>Mandatory Requirements</b>	<b>PASS/FAIL</b>
Does the appraisal district have up-to-date appraisal maps?	PASS
Is the implementation of the appraisal district's most recent reappraisal plan current?	PASS
Does the appraisal district comply with its written procedures for appraisal?	PASS
Are values reproducible using the appraisal district's written procedures and appraisal records?	PASS
<b>Appraisal District Activities</b>	<b>RATING</b>
Governance	MEETS ALL
Taxpayer Assistance	MEETS ALL
Operating Procedures	MEETS ALL
Appraisal Standard, Procedures, and Methodology	MEETS ALL

**The Angelina County Appraisal District scored a perfect rating on the 2015 MAP Review.**