

STEPHENS COUNTY APPRAISAL DISTRICT



2022 ANNUAL REPORT FOR THE STEPHENS COUNTY APPRAISAL DISTRICT

STEPHENS COUNTY APPRAISAL DISTRICT



August 2022

RE: STEPHENS COUNTY APPRAISAL DISTRICT 2022 ANNUAL REPORT

With a sincere commitment to support an environment of transparency, I present the 2022 Annual Report of the Stephens County Appraisal District (hereinafter, “the District”). The Annual Report for 2022 provides summary information about the operations of the District.

The challenge of the District is the development of a timely, accurate, complete and equitable appraisal roll that accurately reflects the “market value” of property in Stephens County. Taxing units use the roll to impose ad valorem taxes (property taxes) on property in the district in a fair and equitable manner to support the services provided by the county, city, hospital and school districts.

The District strives to complete the challenge in a courteous and efficient manner exhibiting fairness, transparency, consistency and accountability. We serve as a resource for information, data and map development for Stephens County and hope to make the property tax appraisal process easy to understand and tolerable for the property owner.

I started with the Stephens County Appraisal District in January of 2021 as the Chief Appraiser in Training. I will sit for the Level 3 test in spring of 2023 and start the final level of coursework. During this time, Gary Zeitler of Eagle Consulting, Inc., is serving in the role of Chief Appraiser and providing oversight and guidance to our efforts.

The District is working to improve the mass appraisal process, communication with the taxing entities and the public. We understand that taxation can be a difficult and frustrating process. We want the citizens of Stephens County to have confidence in our office staff and processes in hopes to limit the hassle, difficulty and frustration with property taxation.

It is our pleasure to serve the property owners of Stephens County.

Sincerely,

William W. Thompson
Chief Appraiser in Training

GENERAL INFORMATION

The Stephens County Appraisal District (CAD) is a political subdivision of the State of Texas created January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirement of the appraisal district. State law requires one appraisal district per county to appraise all property within that county for the purpose of assessing property taxes for local entities.

Property tax in Texas is a locally assessed and locally administered tax. There is no state property tax. Property taxes provide more tax dollars for local services in Texas than any other source of revenue to pay for schools, roads, police and firemen, emergency response services, libraries, parks and other services provided by local governments.

The District appraises property located within Stephens County while local taxing units set tax rates. The District serves 4 entities located exclusively inside Stephens County and 5 overlapping school districts.

Stephens County	Albany ISD
City of Breckenridge	Graham ISD
Breckenridge ISD	Moran ISD
Stephens Memorial Hospital	Ranger ISD
	Woodson ISD

PURPOSES OF THIS REPORT

This report serves as the official 2022 Annual Appraisal Report for the Stephens County Appraisal District. It has been drafted in compliance with the International Association of Assessing Officers (IAAO) Standards on Public Relations, Section 6.5: Annual Reports. A copy of this report can be obtained from the district's website at www.stephencad.com.

Local, state, and provincial agencies should prepare annual reports summarizing activities and accomplishments and providing statistical information. These reports can be used to maintain an historical record of property and property tax data.

Per the IAAO standards, information that should be included in the local annual report is:

- *Total number of parcels*
- *Total value*
- *Uses of property*
- *Types of property*
- *Exemption data*
- *Appeal data*
- *Ratio study analysis*
- *New construction*
- *Legislative changes*

Such a report can also include information describing increased efficiencies in the operations, achievement of higher degrees of professionalism, and a listing of the standards and policies adopted in the valuation and administrative process.

The goal of this report is to provide statistical information and examine trends that might be beneficial to the District and the entities served by the District.

APPRAISAL DISTRICT STANDING

For the past three years, the appraisal district has not maintained the required 95-105% ratio of District appraisals against market value (sales) in the Breckenridge Independent School District area. This data is verified through an annual audit coordinated by the State Comptroller's Property Tax Assistance Division, known as the Property Value Study (PVS). In the recent Methods and Procedures (MAPs) audit by the State Comptroller's office of Texas, Stephens

CAD did not “Meet Expectations.” Detailed information concerning appraisal districts, Texas Property Tax and appraisal practices can be found through the resources below and through the State Comptrollers website.

DISTRICT OPERATIONS

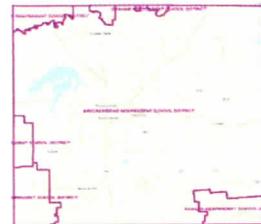
BOARD OF DIRECTORS

The Board of Directors of the Stephens County Appraisal District (“the Board”) consists of five voting members appointed by the taxing units that have property within the boundaries of the Stephens County. The Directors are appointed by the taxing units served. Board Members must live within the district two years prior to serving on the board. The Chief Appraiser is appointed by the Board of Directors and is the chief administrator of the appraisal district.

The District 2022 Budget is \$462,450 or \$6.93/parcel.

Jerry Toland	Chairman	Stephens County Commissioners Court
Vacant		Stephens Memorial Hospital
Rob Durham		City of Breckenridge
Roy Russell		Breckenridge Independent School District
Parker Wiley		Breckenridge Independent School District
Christie Latham		Elected Tax Assessor/Collector

The Board has general policy-making authority and primary responsibility for fiscal matters, including approval of significant contracts and adoption of the annual budget. The Board also appoints the chief appraiser, selects the taxpayer liaison officer and selects the members of the local Ag Committee.



SERVICE AREA

The CAD provides appraisal for the city of Breckenridge, Stephens County, Stephens Memorial Hospital and the Breckenridge Independent School District. Five other school districts have overlapping service areas in Stephens County. The CAD also provides appraisal services to them: Albany, Graham, Moran, Ranger and Woodson.

DISTRICT PERSONNEL

The District employed four full-time individuals during 2022. The chief appraiser’s position is covered by an interim contract with Gary Zeitler of Eagle Property Tax Appraisal and Consulting, Inc. The “Chief Appraiser in Training,” hired by the Board of Directors in January of 2021, successfully completed the level 2 certification in 2022.

THIRD PARTY CONTRACTS

Third party contracts are maintained by the district for the following services:

IT Services and CAMA Software	Southwest Data Solutions
Interim Chief Appraiser Services	Eagle Consulting, Inc
Appraisal of Real Property	Eagle Consulting, Inc.
Appraisal of Mineral and Industrial Property	Thomas Y Pickett, Inc.

TAX PAYER LIAISON

The Taxpayer Liaison Officer (TLO) is responsible for handling public access and informational matters. The liaison officer also resolves complaints that fall outside the jurisdiction of the Appraisal Review Board. The TLO is appointed annually by the Board of Directors in January and answers directly to the Board of Directors. The TLO for 2022 was Eric Brennan.

APPRAISAL REVIEW BOARD

The Appraisal Review Board (“ARB”) is a quasi-judicial body 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 protests through scheduled hearings. To be eligible to serve on the ARB, an individual must have resided in the district for at least two years. Members apply through an open application process and are appointed by the local District Judge. The 2022 ARB members include:

Scott Harris
Sally Satterwhite

Chairman
Secretary

Luke Grider
Blake Hamilton

Member
Member

AG ADVISORY BOARD

The Ag Advisory Committee shall meet at the call of the Chief Appraiser at least once a year to advise the Chief Appraiser on the valuation and use of land that may be designated for agricultural use or that may be open space agricultural or timberland within the district. Members of the Ag Committee for 2022 were:

Roger Tonne

Randy Boaz

Jim Thompson

PROPERTY VALUE STUDY

According to Chapter 5 of the Texas Tax Code and Section 403.302 of the Texas Government Code, the State Comptroller's Property Tax Division (PTD) conducts property value study (PVS) of each Texas school district and each appraisal district every other year. As part of this study, the code requires the Comptroller to use sales and recognized auditing and sampling techniques; review each appraisal district's appraisal methods, standards, and procedures to determine whether the district used recognized standards and practices (MSP review); tests the alidity of school district taxable values in each appraisal district and presumes the appraisal roll values are correct when values are valid; and, determines the level and uniformity of property tax appraisal in each appraisal district.

One independent school district has property solely in Stephens CAD and five others have overlapping property in Stephens County, two of these have an amount sizeable enough to be evaluated in the PVS. The preliminary results of this study are released on February 1 in the year following the year of appraisement. The results of this study are certified to the Education Commissioner of the Texas Education Agency (TEA) the following July of each year. This outside (third party) ratio study provides additional assistance to the CAD in determining areas of market activity or changing market conditions. The final results of the 2021 Stephens CAD Property Value Study were released in August 2022 and can be viewed at: <https://comptroller.texas.gov/taxes/property-tax/pvs/2021f/index.php>.

School District	2021	2020	2019	2017
Breckenridge	FAILED	FAILED	FAILED	PASSED
Moran	FAILED	NOT TESTED	PASSED	PASSED
Woodson	FAILED	NOT TESTED	PASSED	PASSED

The first failure for BISD occurred in the 2019 study when values were at 82.56% of the Comptroller's findings. The final findings on this would have been released in August of 2020, in the midst of an extremely aggressive real estate market experienced across the State of Texas. Stephens CAD is making efforts to catch this up but it is evident that the correction will take some time as we chase market increases of as much as 60% in one year.

The chart on the following page shows the breakdown of the BISD PVS study by strata and year. A great amount of variance is seen over the last 3 years.

- Category A was 25% low in 2019 and 2020 but met the mark in 2021 (Eagle).
- Category D1 shows a great amount of increase over the three years and is way high by percentage (Eagle).
- Category E gained ground in 2020 and then lost again in 2021 (Eagle).
- Category F was okay in 2019 but has lost in 2020 and 2021 (Eagle).
- Category G consistently meets the mark (Morgan and TYP).
- Category J was just slightly low in 2020 and jumped way high in 2021.

BISD PTAD RATIOS

CATEGORY					RATIO
	2021	2020	2019	2017	
A	0.9537	0.7514	0.7680		
	0.9737	0.6529	0.6741	0.8531	
	0.9736	0.7864	0.8680	0.9876	
	0.9804	0.7072	0.7585	0.9301	
	0.9424	0.8087	0.7675	1.0317	
D1 (See Below)	1.8995	1.3573	1.0712	0.8931	
E	0.7957	0.8673	0.7316	0.9351	
F1	0.8244	0.8390	0.9532		
		0.8623		0.9940	
	0.7731	0.7444	0.9407	0.9626	
	0.7253	0.8577	0.8979	0.9885	
	0.8750	0.8724	0.9705	0.9834	
G	0.9727	1.0018	0.9779	1.0735	
	0.9305	0.9941			
	0.9773	0.9535	1.0078	0.9918	
	0.9946	0.1013	1.0144	1.0508	
	0.9853	1.0129	0.9717	1.0143	
J	1.3741	0.9447			1.1031

*B, C1, D2, L1, L2, M1, N, O and S not tested

RATIO	0.9228	0.8335	0.8256	0.9648
Local Test Value	\$ 540,820,328	\$ 463,084,056	\$ 475,673,407	\$ 456,205,270
PTAD Value	\$ 586,062,782	\$ 555,581,925	\$ 576,127,244	\$ 472,853,042
State Lower Limit	\$ 556,759,643	\$ 524,349,717	\$ 545,856,661	\$ 449,210,390
State Upper Limit	\$ 615,365,921	\$ 586,814,133	\$ 606,397,827	\$ 496,495,694
Final Local Value	\$ 511,401,252	\$ 466,763,538	\$ 516,373,752	\$ 479,669,060
Final Assigned	\$ 541,013,389	\$ 524,277,655	\$ 588,629,431	\$ 488,805,411
Est. Cost to the District	\$ 400,000	\$ 600,000	\$ -	\$ -

MAPS REPORT

In addition to the Property Value Study, the Texas Comptroller of Public Accounts conducts a biannual review of the governance of each appraisal district, taxpayer assistance provided, and the operating and appraisal standards, procedures, and methodology used by the District.

The Property Tax Division conducted an onsite MAPS Review the week of May 23 – 27, 2022. Preliminary results were provided in September.

Glenn Hegar
Texas Comptroller of Public Accounts
2022-23 Preliminary Methods and Assistance Program Review
Stephens County Appraisal District
Current MAP Cycle Chief Appraiser(s): Gary Zeitler
Previous MAP Cycle Chief Appraiser(s): Gary Zeitler

This review is conducted in accordance with Tax Code Section 5.102(a) and related Comptroller Rule 9.301. The Comptroller is required by statute to review appraisal district governance, taxpayer assistance, operating procedures and appraisal standards.

Mandatory Requirements	PASS/FAIL
Does the appraisal district board of directors, through the chief appraiser, ensure administrative functions are followed in accordance with Chapter 6 of the Texas Property Tax Code?	FAIL
Does the appraisal district have up-to-date appraisal maps?	FAIL
Is the implementation of the appraisal district's most recent reappraisal plan current?	FAIL
Are the appraisal district's appraisal records up-to-date and is the appraisal district following established procedures and practices in the valuation of property?	FAIL
Are values reproducible using the appraisal district's written procedures and appraisal records?	FAIL

Appraisal District Activities	RATING
Governance	Unsatisfactory
Taxpayer Assistance	Unsatisfactory
Operating Procedures	Unsatisfactory
Appraisal Standards, Procedures and Methodology	Unsatisfactory

Appraisal District Ratings:

Meets All – The total point score is 100

Meets – The total point score ranges from 90 to less than 100

Needs Some Improvement - The total point score ranges from 85 to less than 90

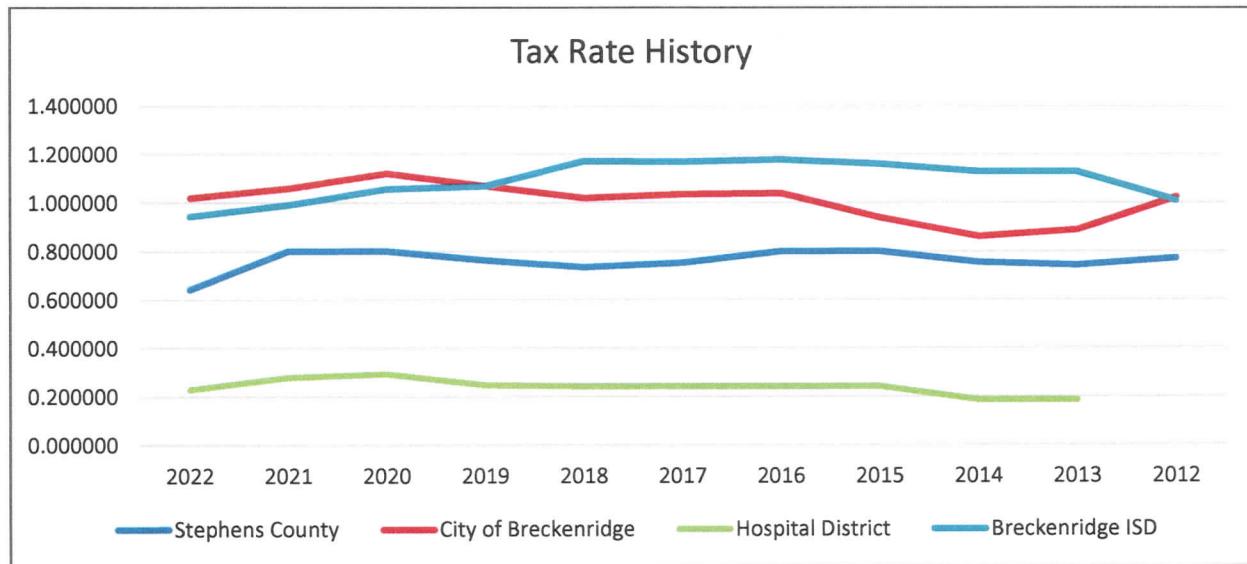
Needs Significant Improvement – The total point score ranges from 75 to less than 85

Unsatisfactory – The total point score is less than 75

Review Areas	Total Questions in Review Area (excluding N/A Questions)	Total "Yes" Points	Total Score (Total "Yes" Questions/Total Questions) x 100
Governance	15	9	60
Taxpayer Assistance	14	6	43
Operating Procedures	21	12	57
Appraisal Standards, Procedures & Methodology	24	12	50

The complete Methods and Assistance Program Report can be found at <https://comptroller.texas.gov/taxes/property-tax/map/2020/index.php>. The District is working to provide the evaluator with additional documentation and explanation to clean up failed areas. This process will continue through September of 2023 and the final report will be released in December of 2023.

TAX RATES



Stephens County has four primary entities and 5 overlapping school districts. In the discussion of tax rates, Stephens CAD has little impact on the overlapping school districts; consequently, we monitor the four primary entities where our values carry more impact and influence.

Tax rates have remained relatively consistent over the last 10 years. Breckenridge ISD began seeing a decreased tax rate starting in 2018. Most of the reduction came through debt reduction and consolidation. At the same time, the City of Breckenridge has seen an increase keeping the overall rate within the city limits almost flat.

The most recent significant drop came from the County. In 2021, the county paid off the jail debt and the value increase caused some compression of the county rate resulting in a \$.16/100 drop, a significant amount for the taxpayer.

PROPERTY TYPES

In 2022, the appraisal district appraised 66,755 parcels. All appraisals are completed by staff and through third-party contracts. All properties are appraised annually. One-third of the properties in the county are viewed and physically appraised each year. For 2022 properties within the city limits of Breckenridge were physically appraised.

BY PARCELS

Properties are broken down into 4 major categories: real, industrial, mineral and business personal (as defined by Texas Tax Code 1.04).

PARCELS	2022	2021	2020	2019	2018
REAL PROPERTY	11,758	11,730	11,797	11,780	11,784
INDUSTRIAL PROPERTY	323	190	197	215	216
BUSINESS PERSONAL PROPERTY	404	409	405	433	432
MINERAL PROPERTY	54,270	55,832	55,704	53,603	52,940
	66,755	68,161	68,103	66,031	65,372

VALUES	2022	2021	2020	2019	2018
REAL PROPERTY	\$ 1,882,751,816	\$ 1,731,009,543	\$ 1,414,262,597	\$ 1,432,787,992	\$ 1,427,449,372
INDUSTRIAL PROPERTY	\$ 81,870,594	\$ 70,700,980	\$ 70,369,017	\$ 73,029,096	\$ 72,152,170
BUSINESS PERSONAL PROPERTY	\$ 20,995,631	\$ 21,716,522	\$ 22,736,473	\$ 24,748,238	\$ 25,428,222
MINERAL PROPERTY	\$ 120,045,560	\$ 52,335,780	\$ 64,776,437	\$ 129,904,621	\$ 127,379,231
	2,105,663,601	1,875,762,825	1,572,144,524	1,660,469,947	1,652,408,995

Real Property

Land, improvements, and items capable of private ownership, including an estate or interest in real property, etc.

Industrial Property

Personal/business property that adds value to a product through development, manufacturing, processing or stage of that product

Mineral Property

Producing and non-producing minerals, including oil and gas interests, that have a value of greater than \$500

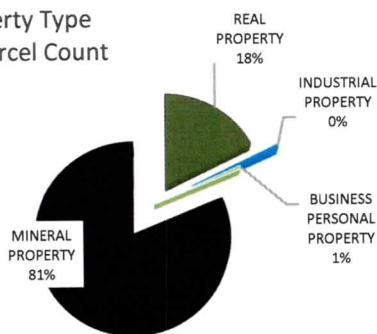
Business Personal Property

Tangible personal property can be seen, weighted, measured, felt or perceived by the senses and is utilized to produce income, including

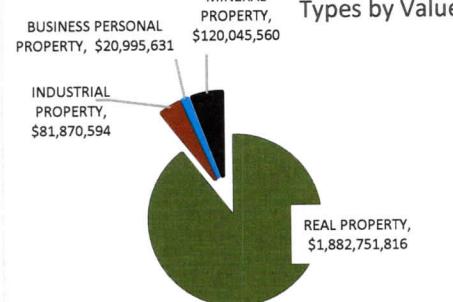
What the graphs show:

- number of mineral parcels is overwhelmingly the largest percentage of parcels at 81%
- the real properties make up an overwhelming portion of the values in the county
- the lack of industrial value places the tax burden in the county on the residential consumer
- there is little change in the number of parcels or percentage of make-up of parcels from year-to-year while
- values of minerals can adjust drastically and help to shift the tax burden on the residential customer while industrial and business personal remain relatively flat

Property Type by Parcel Count



2022 Property Types by Value



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 22, 2022. The total taxable value in the county was approximately \$802,945,939 resulting in a tax levy of approximately \$13,704,370, an increase of 2.2% percent from 2021.

2022 CERTIFIED VALUES

ENTITY	REAL PROPERTY	BUSINESS PP	INDUSTRIAL	MINERALS
Stephens County	\$ 565,615,669	\$ 20,891,991	\$ 81,870,594	\$ 120,045,560
City of Breckenridge	\$ 205,445,853	\$ 17,493,143	\$ 26,792,600	\$ 7,881,830
Stephens Memorial Hospital	\$ 579,157,379	\$ 20,995,631	\$ 81,870,594	\$ 120,045,560
Breckenridge ISD	\$ 470,037,007	\$ 20,186,363	\$ 75,348,234	\$ 115,947,350
Albany ISD	\$ 1,204,530	\$ -	\$ 135,530	\$ 505,340
Graham ISD	\$ 664,910	\$ -	\$ 246,380	\$ 10,290
Moran ISD	\$ 4,365,660	\$ 870	\$ 339,380	\$ 1,999,860
Ranger ISD	\$ 4,722,700	\$ 886,878	\$ 4,768,010	\$ 589,930
Woodson ISD	\$ 5,383,370	\$ 2,800	\$ 1,033,060	\$ 992,790

2021 CERTIFIED VALUES FOR COMPARISON

ENTITY	REAL PROPERTY	BUSINESS PP	INDUSTRIAL	MINERALS
Stephens County	\$ 469,803,740	\$ 21,528,632	\$ 70,700,980	\$ 52,335,780
City of Breckenridge	\$ 175,126,061	\$ 16,862,978	\$ 15,178,090	\$ 3,178,326
Stephens Memorial Hospital	\$ 483,280,631	\$ 21,716,522	\$ 70,685,980	\$ 52,335,780
Breckenridge ISD	\$ 406,055,621	\$ 284,560	\$ 82,719,783	\$ 52,335,780
Albany ISD	\$ 1,143,432	\$ -	\$ 62,650	\$ 232,184
Graham ISD	\$ 496,281	\$ -	\$ 288,170	\$ 15,092
Moran ISD	\$ 3,785,392	\$ 284,560	\$ -	\$ 1,225,105
Ranger ISD	\$ 3,895,475	\$ -	\$ 4,453,650	\$ 548,928
Woodson ISD	\$ 4,061,466	\$ 2,800	\$ 1,016,390	\$ 395,618

NOTATIONS:

- the green fields show the areas that reflect an increase over 2021
- the most significant increases were in the mineral values
- the decrease in BPP for Stephens County/SMH and Moran ISD was caused by moving some BPP to Industrial accounts

HISTORIC COMPARISON

ENTITY	2022 CERTIFIED	2021 CERTIFIED	2020 CERTIFIED	2019 CERTIFIED	2018 CERTIFIED
All County	\$ 802,945,939	\$ 629,044,585	\$ 573,206,246	\$ 623,186,590	\$ 600,577,933
Stephens County	\$ 788,423,814	\$ 614,369,132	\$ 559,202,580	\$ 608,854,788	\$ 528,196,781
City of Breckenridge	\$ 257,613,426	\$ 210,345,455	\$ 189,426,374	\$ 193,485,972	\$ 193,820,726
Stephens Memorial Hospital	\$ 802,069,164	\$ 628,018,913	\$ 572,277,110	\$ 622,109,686	\$ 599,409,706
Breckenridge ISD	\$ 681,518,954	\$ 541,395,744	\$ 491,052,914	\$ 538,028,978	\$ 514,841,321
Albany ISD	\$ 1,845,400	\$ 1,438,266	\$ 1,254,008	\$ 1,600,735	\$ 1,927,306
Graham ISD	\$ 921,580	\$ 799,543	\$ 768,789	\$ 582,626	\$ 430,730
Moran ISD	\$ 6,705,770	\$ 5,295,057	\$ 4,564,123	\$ 5,610,072	\$ 6,758,733
Ranger ISD	\$ 10,967,518	\$ 8,898,053	\$ 7,547,260	\$ 7,565,154	\$ 7,755,068
Woodson ISD	\$ 7,412,020	\$ 5,476,274	\$ 5,169,600	\$ 5,384,436	\$ 4,810,009
% Over Previous	27.65%	9.74%	-8.02%	3.76%	2.15%

NOTATIONS:

- the decrease in values in 2020 was not supported by sales data that year and initiated the PVS issues
- even though a substantial increase of 27.65% was realized in 2022, it was not enough to close the gap on the sales which saw large jumps in 2020 and 2021
- the breakdown of the 2022 increase in value by property type: Real - \$95,811,929 (55%); BPP - \$-636,641(-0.4%); Industrial - \$11,169,614 (6.4%); Mineral - \$67,709,780 (38.9%).

USE OF PROPERTIES

Highest and best use is a concept in real estate appraisal in which market value is achieved by the reasonably and probable legal land use that results in the highest value. Highest and best use is an essential step in the mass appraisal process and is necessary before market value estimates can be made.

“The highest & best use for appraisal or assessment purposes can be defined as that use or the succession of available, legal, and physically permitted uses with enough demand to produce the probable present value of a property. The highest and best use must be a use that generates the highest net return over a reasonable period of time.”

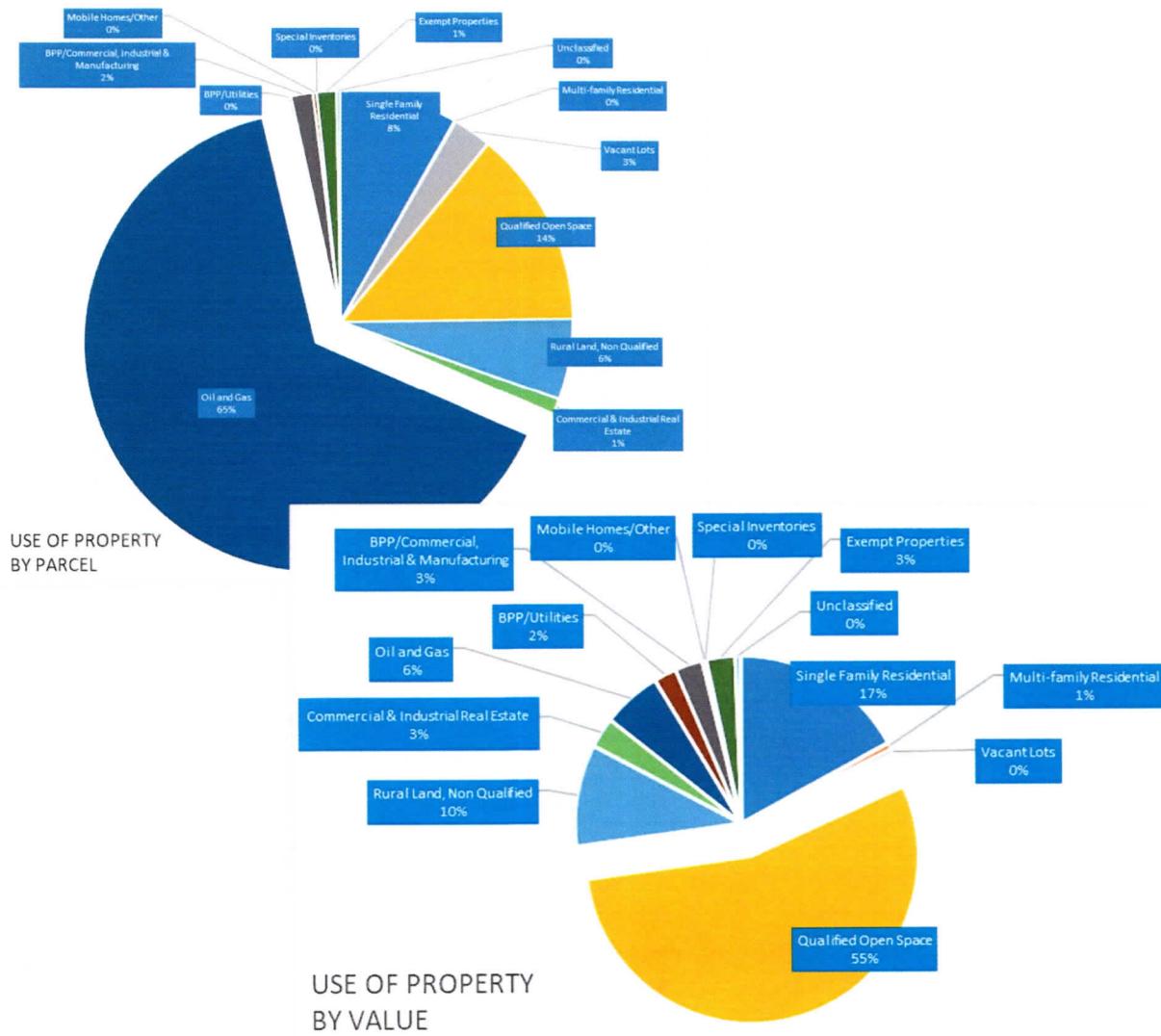
A highest & best use study consists of four basic tests that must be examined for both vacant and improved properties is. Is the proposed use:

1. Legally permissible
2. Physically possible
3. Financially feasible
4. Most productive

The four criteria are like a filtering system and should be considered in sequential order.

CLASSIFICATION BY PTD CODES

CODE	DESCRIPTION	STATISTIC	2022	2021	2020	2019	2018	
A	Single Family Residential	Parcel Count	3,282	3,264	3,270	3,284	3,311	
		Market Value	\$ 360,264,442	\$ 279,420,437	\$ 219,325,203	\$ 199,569,920	\$ 195,987,120	
B	Multi-family Residential	Parcel Count	31	31	32	31	34	
		Market Value	\$ 13,322,218	\$ 9,137,385	\$ 8,975,758	\$ 7,120,572	\$ 7,814,185	
C	Vacant Lots	Parcel Count	1,085	1,108	1,126	1,149	1,179	
		Market Value	\$ 10,344,920	\$ 9,931,825	\$ 8,592,015	\$ 8,835,525	\$ 9,120,035	
D	Qualified Open Space	Parcel Count	5,546	5,588	5,664	5,687	5,709	
		Market Value	\$ 1,150,103,355	\$ 1,161,571,295	\$ 945,612,045	\$ 998,524,715	\$ 998,631,245	
E	Rural Land, Non Qualified	Parcel Count	2,297	2,342	2,239	2,203	2,183	
		Market Value	\$ 207,412,897	\$ 152,836,200	\$ 116,990,370	\$ 108,659,440	\$ 106,621,890	
F	Commercial & Industrial Real Estate	Parcel Count	443	494	501	493	512	
		Market Value	\$ 62,416,374	\$ 54,395,031	\$ 53,202,623	\$ 53,434,332	\$ 55,803,347	
G	Oil and Gas	Parcel Count	25,929	36,068	37,170	39,587	39,163	
		Market Value	\$ 120,082,370	\$ 52,267,410	\$ 64,842,520	\$ 130,044,982	\$ 127,326,726	
J	BPP/Utilities	Parcel Count	87	99	98	109	109	
		Market Value	\$ 46,190,188	\$ 43,635,212	\$ 42,188,100	\$ 44,036,049	\$ 32,612,599	
L	BPP/Commercial, Industrial & Manufacturing	Parcel Count	607	472	489	519	529	
		Market Value	\$ 56,603,549	\$ 48,706,670	\$ 50,758,010	\$ 55,252,940	\$ 55,403,230	
M	Mobile Homes/Other	Parcel Count	112	92	88	88	91	
		Market Value	\$ 7,491,290	\$ 4,218,370	\$ 4,145,550	\$ 3,421,780	\$ 3,469,120	
S	Special Inventories	Parcel Count	1	2	2	2	4	
		Market Value	\$ 1,139,448	\$ 961,225	\$ 531,996	\$ 607,260	\$ 504,363	
X	Exempt Properties	Parcel Count	554	556	555	529	479	
		Market Value	\$ 59,342,700	\$ 57,346,020	\$ 55,616,680	\$ 53,181,120	\$ 50,041,670	
	Unclassified	Parcel Count	102	35	20	10	6	
		Market Value	\$ 11,265,280	\$ 1,713,740	\$ 1,121,010	\$ 434,910	\$ 247,960	
TOTALS		Parcel Count	40,076	50,151	51,254	53,691	53,309	
		Market Value	\$2,105,979,031	\$1,876,140,820	\$1,571,901,880	\$1,663,123,545	\$1,643,583,490	



OBSERVATIONS:

While minerals dominate the number of parcels in the District, it makes up 6% of the value.

Qualified open space is 14% of the parcels, but 55% of the value; however, since it is qualified open space, its taxable value is greatly reduced when Ag Value is applied.

Single-family residential housing makes up 8% of the parcels but 17% of the value.

Multifamily housing is limited in the District.

Vacant lots make up 3% of the parcels but almost add no value to the roll.

Exempt properties make up 3% of the tax roll and is nontaxable.

A better look at this might be to examine taxable value by use of property versus market values.

TYPES OF PROPERTY

Qualified open space is further identified by use of the property. Stephens County has no irrigated cropland, as water is limited and cost is prohibitive. The primary use of the land in the area is cattle production, some sheep and recreational hunting on native pasture.

Stephens CAD is exploring ways to improve the classification and verification of D1 property. The local Ag Advisory committee is instrumental in this effort.

The last two years, the Ag Committee has explored the concept of a minimum number of acres that should be required to meet the “commercial ag product” referred to when qualifying for the special valuation for agriculture.

This year the committee recommended setting a minimum of 20 ac for ag production and 15 for wildlife to qualify for the agriculture special valuation.

D1 Qualified		2022	2021	2020	2019	2018
Irrigated Cropland	Acres					
	Mkt Value					
	Prd Value					
Dry Cropland	Acres	29,625	29,059	29,613	29,928	30,058
	Mkt Value	62,110,430	59,906,905	49,868,458	52,506,724	52,724,813
	Prd Value	3,155,925	3,132,309	2,354,272	2,399,382	2,408,964
Barren/Wasteland	Acres	6,286	6,471	6,504	6,656	6,651
	Mkt Value	12,036,075	12,173,331	9,991,090	11,023,086	10,992,267
	Prd Value	31,428	32,392	33,838	34,130	34,115
Orchards	Acres					
	Mkt Value					
	Prd Value					
Improved Pasture	Acres	11,586	11,202	10,663	11,017	10,760
	Mkt Value	23,718,947	22,220,411	17,309,308	18,218,381	17,863,568
	Prd Value	738,227	725,544	706,643	698,014	636,544
Native Pasture	Acres	502,333	504,259	504,258	504,032	503,695
	Mkt Value	1,047,760,307	1,055,098,973	855,562,302	903,836,483	904,522,079
	Prd Value	31,763,518	28,915,428	24,229,141	22,177,982	21,043,713
Other Agriculture Land	Acres	1,887	1,845	1,908	1,895	1,893
	Mkt Value	5,090,966	5,623,715	4,753,667	4,809,621	4,850,788
	Prd Value	191,437	250,372	233,381	214,697	221,259
		Total Production Acres	545,431	546,365	546,442	546,872
		Total Mkt Value	1,150,716,725	1,155,023,335	937,484,825	990,394,295
		Total Prd Value	35,880,535	33,056,045	27,557,275	25,524,205
						24,344,595

As we increase our efficiency in special valuation application, qualification, and verification, we designed a way to track our progress. The chart shows the district verified 195 more parcels resulting in 21,039 acres between 2021 and 2022 for D1. This included 48 applications for wildlife designation, which was our focus for the year. Moving into 2023 we will focus on the verification of D1 for ag applications.

		2022	2021	2020	2019	2018
D1 Verified	Parcels	1,467	1,272			
	Acres	152,659	131,620			
Wildlife Verified	Parcels	51	3			
	Acres	2,847	144			
Non-Qualified Acres	Parcels	2,482	2,392			
	Acres	68,231	65,038			
		223,737	196,802			

EXEMPTIONS

Texas offers a variety of partial or total, sometimes referred to as absolute, exemptions from appraised property values used to determine local property taxes. A partial exemption removes a percentage or a fixed dollar amount (by deduction) of a property's appraised value from taxation. A total exemption excludes the entire property's appraised value from taxation. Taxing units are required by the state to offer certain mandatory exemptions and have the option to decide locally on whether or not to offer others (local option).

Exemptions from property tax require applications in most circumstances. Applications for property tax exemptions are filed with the appraisal district in which the property is located.

HOMESTEAD EXEMPTIONS

A homestead exemption is generally defined as the home and land used as the owner's principal residence on January 1 of the tax year. A homestead exemption reduces the appraised value of the home through approved deductions and protects the home owner from increases in assessed (taxable) value. As a result, the homestead exemption lowers property taxes on your principal residence.

State	\$40,000 deduction from school district assessment Limits increase of assessed value by 10% per year
Local	None

OVER 65 EXEMPTIONS

Texas law requires school districts to offer additional protections for homesteads of individuals over 65 years of age and in certain cases a surviving spouse. These homeowners may also transfer the percent of tax paid, based on their ceiling, when they purchase another home and use it as their principal residence.

State	An additional \$10,000 deduction Tax ceiling on the amount paid in taxes when the taxpayer turns 65
Local	City of Breckenridge provides a \$3,000 deduction and a tax ceiling Stephens County provides a \$12,000 deduction and a tax ceiling

PROPERTY TAX EXEMPTIONS FOR DISABLED VETERANS

The law provides partial exemptions for any property owned by disabled veterans, surviving spouses and surviving children of deceased disabled veterans. The exemption amount is determined according to percentage of service-connected disability and may be up to 100 percent.

NON-PROFIT ORGANIZATIONS

Non-profit organizations that meet statutory requirements may seek property tax exemptions and must apply to their county appraisal district by April 1, 2023.

ANALYZING EXEMPTIONS

Examining the number of homesites and exemptions claimed can provide a tax entity insight to who is living in the community and who the entity is serving. Certain trends may indicate a shift in the culture of the community and even identify areas that will effect the tax base and levy of the entity.

CITY OF BRECKENRIDGE

NOTATIONS:

- The number of homesites within the city limits of Breckenridge has decreased by 183 over the last five years.
- All other exemptions have remained relatively flat

Year	2022	2021	2020	2019	2018
Homesites	2260	2395	2406	2393	2416
General HS					
>65	439	435	433	433	432
Disabled	87	87	81	80	84
Veteran Disabled	All	47	46	46	46
	General	18	17	16	16
	Frozen	19	10	16	16
	100 % Homesite	10	19	14	14
Constitutional	305	324	346	356	336

STEPHENS COUNTY

NOTATIONS:

- Homesites in Stephens County had remained relatively stable until 2021 to 2022 which showed a sharp decline of 167 homesites.
- Over 65 homesteads are showing a steady increase

Year	2022	2021	2020	2019	2018
Homesites	5189	5356	5341	5327	5344
General HS					
>65	1041	1033	1018	1028	1000
Disabled	139	141	129	126	125
Veteran Disabled	All	139	135	131	120
	General	58	58	51	37
	Frozen	46	45	44	43
	100 % Homesite	35	32	36	40
Constitutional	671	727	751	737	715

BRECKENRIDGE ISD

NOTATIONS:

- Decline of 166 homesites between 2021 and 2022
- Disabled veteran homesteads on the rise

Year	2022	2021	2020	2019	2018
Homesites	5038	5204	5199	5183	5197
General HS	2279	2247	2223	2232	2072
>65	846	926	895	909	876
Disabled	84	115	99	93	88
Veteran Disabled	ALL	117	119	115	107
	General	50	52	46	36
	Frozen	46	45	43	42
	100 % Homesite	21	22	26	29
Constitutional	655	711	734	720	699

TAXPAYER PROTESTS

If the appraisal district appraises your property at a higher amount than in the previous year, Tax Code Section 25.19 requires the appraisal district to send a notice of appraised value by May 1, or by April 1 if your property is a residence homestead, or as soon as practical thereafter. The notice of appraised value includes information on how to file a protest as well as an explanation of the availability of an informal conference with the appraisal district prior to your formal ARB hearing.

If you are dissatisfied with your appraised value or if errors exist in the appraisal records regarding your property, you should file a Form 50-132, Notice of Protest (PDF) with the ARB. In most cases, you have until May 15 or 30 days from the date the appraisal district notice is delivered — whichever date is later.

		2022	2021	2020	2019	2018
# OF PROTEST	REAL PROPERTY	663	175	150	104	103
	MINERAL PROPERTY	4	18	29	61	63
	INDUSTRIAL PROPERTY		9	45	112	36
	PERSONAL PROPERTY	2	5	2	2	5
PRELIMINARY VALUE	REAL PROPERTY	\$ 627,621,153	\$ 492,307,915	\$ 413,224,913		
	MINERAL PROPERTY	\$ 104,481,000				
	INDUSTRIAL PROPERTY	\$ 67,354,000				
	PERSONAL PROPERTY	\$ 22,002,608				
CERTIFIED VALUE	REAL PROPERTY	\$ 565,615,669	\$ 469,803,740	\$ 401,548,094		
	MINERAL PROPERTY	\$ 120,045,560	\$ 52,335,780	\$ 64,917,380		
	INDUSTRIAL PROPERTY	\$ 81,870,594	\$ 70,700,980	\$ 92,737,106		
	PERSONAL PROPERTY	\$ 20,891,991	\$ 21,528,632			
PERCENT CHANGE IN VALUE	REAL PROPERTY	-9.88%	-4.57%	-2.83%		
	MINERAL PROPERTY	14.90%	#DIV/0!			
	INDUSTRIAL PROPERTY	21.55%	#DIV/0!			
	PERSONAL PROPERTY	-5.05%	#DIV/0!			
SETTLED	Total # of Protest	669	207	226	279	207
	Informally Settled	539	117	83	65	65
	Settled by Waiver	48	43	63	75	53
	Withdrawn	62	19	58	103	77
	ARB as Joint Motion					
	Failure to Appear		8	3	16	7
	ARB Determination	20	20	19	20	5
PENDING	REAL PROPERTY					
	MINERAL PROPERTY					
	INDUSTRIAL PROPERTY					
	PERSONAL PROPERTY					

Appeals

If a taxpayer is dissatisfied with the ARB's findings, he/she has the right to appeal the decision to the state district court in the county in which your property is located.

Within 60 days of receiving the ARB's written order, the taxpayer must file a petition for review with the district court. Before filing a petition, the taxpayer should consult with an attorney to determine if there is a case.

If the property value as determined by the ARB order is over \$1 million, the taxpayer may be able to file an appeal with SOAH. A taxpayer may only appeal to SOAH if the appeal concerns the determination of the appraised or market value of the property or an unequal appraisal. This option to appeal is applicable to determinations concerning real or personal property, but not industrial property.

Another alternative to filing an appeal to district court, the taxpayer may have the right to appeal through binding arbitration. Binding arbitration is available for market or appraised value determinations by ARBs. Unequal appraisal determinations may also be the subject of a request for binding arbitration.

Binding arbitration is available only if the property is:

- a residential homestead, regardless of value; or
- a property with an appraised value of \$5 million or less.

To appeal an ARB order to binding arbitration, the taxpayer must file a request for binding arbitration with the appraisal district not later than the 60th day after receiving notice of the order and complete the Comptroller's request form and submit it with a deposit in the required amount based on the ARB's determination of the property value and property type. The appraisal district will complete the application and forward the request and deposit to the Comptroller's office. (Visit the Arbitration Information page to learn more about the filing process.)

NOTATIONS:

Stephens County Appraisal District does not have any open arbitration hearings, SOAH hearings or suits filed in the district court at this time.