

# Scurry County Appraisal District

## 2023 Annual Report

November 2023

The 2023 Annual Report for the Scurry County Appraisal District (hereinafter, "the District" or "SCAD") is prepared with the purpose of transparency in the District's activities. It 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, taxpayer value appeals, audits, and evaluations.

The District's 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 for fair and uniform appraisal. Appraisals provide the value base for the funding for county, city, hospital, college, and school district services.

In 2023, the District is currently in the MAP Review process. SCAD received the highest scoring results for the 2021 MAP Review. The District successfully achieved local value for all schools through the 2022 Texas Comptroller's Property Value Study.

The District continues to provide excellent customer service to nine entities inside and outside of Scurry County and establish property values that provide equality and uniformity for all taxpayers. The District is committed to the 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 great pride in setting the standard for providing complete, accurate, and timely information to the taxing jurisdictions and giving clear, concise, and easily understood information to the property owners. We aim to utilize new technology that supports best practices during property inspection and research and create programs and procedures that support lower operations costs.

Thank you for taking the time to review the 2023 Annual Report. If you have any questions, please contact me by email at [jmartin@scurrytex.com](mailto:jmartin@scurrytex.com), call (325)573-8549, or come by the office at 2612 College Avenue.

Respectfully,

Jackie Martin, RPA,RTA,CTA

Chief Appraiser

## **INTRODUCTION**

The purpose of this summary report is to aid the public in better understanding the methods and techniques utilized in Ad Valorem appraisal of property in Scurry County. The Scurry County Appraisal District (SCAD) is a political subdivision of the state formed by the Texas Legislature in 1979. Current state law, in Section 6.02(a) of the Texas Property Tax Code, mandates that appraisal district boundaries are the same as the county boundaries. The Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the appraisal district's operations. This report attempts to comply with Standard 6 of the Uniform Standards of Professional Appraisal Practice. Scurry SCAD maintains detailed operations manuals for appraisal use.

Property taxes provide more tax dollars for local services in Texas than any other source. Public schools, libraries, city streets, county roads, police, fire protection, emergency services, and many more quality-of-life services are provided by property taxes. Oliver Wendell Holmes, former United States Supreme Court Justice, said, "Taxes are what we pay for a civilized society." In some respects, a "civilized society" is the rationale for government in the first place. Property taxes also give citizens basic information regarding the total price for those activities.

### **Mission Statement**

The Scurry County Appraisal District is committed to serving taxpayers and local entities with professionalism and integrity.

- A taxpayer is not dependent on us -we depend on them.
- A taxpayer is not an outsider to our business but a crucial part of it.
- A taxpayer will be treated with honor, respect, courteous behavior, and efficient service.

### **Governance**

The appraisal district is governed by a Board of Directors whose primary responsibilities are to:

- Establish the district's office,
- Adopt the operating budget,
- Contract for necessary services,
- Hire and regularly evaluate the Chief Appraiser,
- Provide advice and consent to the Chief Appraiser concerning the appointment of an Agricultural Advisory Board,
- Approve contracts for SCAD, such as the complex property appraisal firm selected by the chief appraiser to perform appraisal services for the district,
- Make general policies on the appraisal district's operations and
- Biennially develop a written plan for the periodic reappraisal of all property.

To be eligible to serve on the Board of Directors, a person must have resided within the county's boundaries for at least two years before their appointment. Their terms are not staggered. There are no

legal limits to the number of terms a board member can serve. The Chief Appraiser is the chief administrator of the appraisal district and is appointed by the Board of Directors. The Chief Appraiser must be licensed as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing to serve in the position. The Chief Appraiser employs and directs the SCAD staff, managing all aspects of the appraisal district's operations. The Chief performs either directly or through the staff a variety of operations, including:

- Discover, list, and appraise property.
- Determine exemptions and special use requests.
- Organize periodic reappraisals.
- Notify taxpayers, taxing units, and the public about property value matters.

The appraisal district office personnel include the chief appraiser, five RPA-licensed appraisers, a mapping and deed clerk, a business manager, and two records clerks. SCAD contracts with Thomas Y Pickett & Co. to appraise complex property such as oil and gas properties, utilities, pipelines, industrial property, and industrial personal property in the district. SCAD staff appraise residential, commercial, land, and business personal property.

The District Judge appoints members and officers of the Appraisal Review Board. ARB members serve two-year staggered terms. They are limited by law to serving three consecutive two-year terms. They must receive training to be certified by the Texas Comptroller. Their primary responsibility is to settle value disputes between the taxpayer and the appraisal district. Their value decisions are binding to the Chief Appraiser for the tax years protested.

The Board of Directors appoints the Ag Advisory Board at the recommendation of the Chief Appraiser. They assist in determining typical practices and standards for agricultural activities in the district.

## **Board of Directors**

The Scurry County Appraisal District Board of Directors consists of five voting members appointed by the taxing units that own property in Scurry County. They are nominated and elected by each governing body serving Scurry County, except for the Scurry County Hospital District. The Scurry County Tax Assessor-Collector serves as an ex-officio member of the Board. The members are:

- Jerry Boyd
- Fred Cross
- Ryan Grady
- Rod Partain
- Clarence Spieker

## Taxing Jurisdictions

The Scurry County Appraisal District is responsible for appraising all properties for each of the taxing jurisdictions located within Scurry County. The entities and 2023 Certified Parcel count are:

- Snyder ISD 83,979 parcels
- Hermleigh ISD 5,809 parcels
- Ira ISD 16,762 parcels
- Roscoe ISD (overlapping entity) 40 parcels
- Colorado ISD (overlapping entity) 798 parcels
- Scurry County 107,249 parcels
- Western Texas College 107,245 parcels
- Scurry County Hospital District 107,245 parcels
- City of Snyder 9,570 parcels

### Scurry County Appraisal District 2023 Certified Value

2023 Certified Value as of November 8, 2023

TAXING UNIT	2022 CERTIFIED SUPP 60 TAXABLE VALUE	2023 CERTIFIED TAXABLE VALUE	2023 CERTIFIED SUPP 29 TAXABLE VALUE	Value Change 2022 TO 2023	% CHANGE
SCURRY COUNTY	3,273,689,691	3,488,277,588	3,587,591,735	313,902,044	9.59%
WESTERN TEXAS COLLEGE	3,375,749,755	3,598,943,467	3,699,655,028	323,905,273	9.60%
SCURRY COUNTY HOSPITAL DISTRICT	3,163,129,159	3,383,503,952	3,481,270,571	318,141,412	10.06%
CITY OF SNYDER	687,836,039	740,762,982	776,010,321	88,174,282	12.82%
SNYDER ISD M&O	2,572,209,030	2,690,285,238	2,752,632,351	180,423,321	7.01%
SNYDER ISD I&S	3,035,592,930	3,107,411,838	3,169,758,951	134,166,021	4.42%
IRA ISD	144,466,138	143,701,596	144,207,277	(258,861)	-0.18%
HERMLEIGH ISD	500,599,205	482,264,025	508,235,662	7,636,457	1.53%
COLORADO ISD	90,574,200	92,686,308	101,540,532	10,966,332	12.11%
ROSCOE ISD	12,507,438	12,605,709	12,605,709	98,271	0.79%

\*\*\* TOTALS ARE PRIOR TO OV65 FREEZE DEDUCTIONS FOR THE CITY, WTC. AND COUNTY

\*\*\*SCHOOL VALUES INCLUDE THE NEW \$100K HS EXEMPTION, BUT NOT THE OV65 FREEZE ADJUSTMENTS

**PROPERTY TYPES APPRAISED** The following represents a summary of property types and their certified values for 2023 for the Scurry County jurisdiction as of 11/08/2023 Supplement 29:

<b>Code</b>	<b>Property Type</b>	<b>Parcel Count</b>	<b>Market Value</b>	<b>Percentage of Value</b>
A	Single Family Homes	5,639	554,335,934	11.00%
B	Multi Family Homes	46	16,955,422	0.34%
C	Vacant Lot	2,042	10,378,485	0.21%
D1	Qualified Ag Land	3,438	646,721,696	12.84%
D2	Non- Qualified Land	846	12,837,133	0.25%
E	Farm & Ranch	1,696	158,326,469	3.14%
F1	Commercial Real Property	825	137,946,814	2.74%
F2	Industrial Real Property	798	961,186,708	19.08%
G1	Oil & Gas	76,858	1,591,847,852	31.60%
J	Utilities	498	393,529,254	7.81%
L1	Commercial Personal	569	66,530,484	1.32%
L2	Industrial Personal	692	294,831,417	5.85%
MI	Tangible Personal	273	13,619,994	0.27%
O	Residential Inventory	64	313,114	0.01%
S	Special Inventory	9	8,398,218	0.17%
X	Total Exempt	14,858	170,290,903	3.38%
<b>TOTAL MARKET VALUE</b>			<b>\$ 5,038,049,897</b>	<b>100.00%</b>



## PROPERTY DISCOVERY

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

- City building permits
- Field discovery
- Filed Documents/Mechanic's Liens
- Mobile home installation reports
- Eagleview (aerial photography)
- West Texas Council of Governments -911 addressing
- Advertisements and websites
- Railroad Commission Reports(oil/gas)
- Appraisers

## EXEMPTION DATA

Property owners may qualify for a variety of exemptions as provided by the Texas Constitution.

**Residential Homestead-** The chart represents the total exemption amounts available to homeowners who qualify for this exemption on homesites with a maximum of 20 acres:

EXEMPTIONS	SCHOOL	COUNTY	COLLEGE	CITY	*HOSPITAL	REMARKS
REGULAR HOMESTEAD	\$100,000					Driver's license with HS address listed
OVER 65 HOMESTEAD	\$10,000					Birthdate(s) provided
DISABILITY HOMESTEAD	\$10,000					Doctor's Letter Medicare Card Insurance Letter
VETERAN DISABILITY	\$5,000^	\$5,000^	\$5,000^	\$5,000^	\$5,000^	\$5,000 10% to 29% \$7,500 30% to 49% \$10,000 50% to 69% \$12,000 70%+ (65YRS+)
100% DISABLED VETERAN	100%	100%	100%	100%	100%	VA Letter
PERCENT HOMESTEAD		20% or \$5,000 min.			20% or \$5,000 min.	
OVER 65 HOMESTEAD		\$12,000		\$7,500	\$100,000	
DISABILITY HOMESTEAD					\$100,000	

\* Only Jurisdiction not eligible to be FROZEN

^ Not Just Homestead - Any Property

Other exemptions are available and described in the Texas Property Tax Code, Chapter 11.

For school tax purposes, the over 65, disability, surviving spouse, and 100% disabled veteran residential homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead on existing buildings. Any new areas added to the homesite will cause the ceiling to be readjusted and set in the subsequent tax year.

All homeowners who qualify for the residential homestead exemption are subject to the placement of a homestead cap on their qualifying property which limits the increase of taxable value on the homestead property to ten percent per year. However, the market value will be reflective of the local real estate market.

**Disabled Veterans**-In addition to the residential homestead exemption allowable to disabled veterans with a 100% service-connected disability (as described above), disabled veterans are allowed a general exemption on any property they own based upon the percentage rating as determined by the Department of Veterans Affairs. Current exemptions amounts, based upon these ratings, are:

<i>Disabled Veterans Exemption:</i>		
<i>DV1</i>	<i>10%-29%</i>	<i>An exemption of up to \$5,000 assessed value</i>
<i>DV2</i>	<i>30%-49%</i>	<i>\$7,500</i>
<i>DV3</i>	<i>50%-69%</i>	<i>\$10,000</i>
<i>DV4</i>	<i>70%-99%</i>	<i>\$12,000</i>

## **SUMMARY OF APPRAISAL DISTRICT APPRAISAL ACTIVITIES**

The District's appraisal operations for the 2023 appraisal year were based upon the SCAD Biennial Reappraisal Plan.

### **PLAN FOR PERIODIC REAPPRAISAL**

Subsections (a) and (b), Section 25.18, Tax Code, are amended to read as follows:

- (a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05 (i).
- (b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years:
  - (1) Identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;

- (2) Identifying and updating relevant characteristics of each property in the appraisal records;
- (3) Defining market areas in the district;
- (4) Identifying property characteristics that affect property value in each market area, including:
  - (A) The location and market area of the property;
  - (B) Physical attributes of property, such as size, age, and condition;
  - (C) Legal and economic attributes; and
  - (D) Easements, covenants, leases, reservations, contracts, declarations, special assessments, ordinances, or legal restrictions;
- (5) Developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
- (6) Applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
- (7) Reviewing the appraisal results to determine value.

## **REEVALUATION DECISION**

The Scurry County Appraisal District, hereafter named SCAD, by policy approved by the Chief Appraiser and adopted by the Board of Directors, reappraises all taxable properties, or monitors the market of certain real and personal properties in the district every year with schedule changes being made if necessary. The reappraisal process does not mean that every property is physically reinspected each year (The re-inspection process is mentioned later in the document). Both tax years 2022 and 2023 were reappraisal years. Although, there may be some exception on certain classifications of property, when there is lack of data, budget constraints, or shortage of appraisal staff.

## **REAPPRAISAL AND NON-REAPPRAISAL YEAR ACTIVITIES**

1. Performance Analysis – the equalized values from the previous tax year are analyzed with ratio studies to determine the appraisal accuracy and appraisal uniformity overall and by market area within property reporting categories. Ratio studies are conducted in compliance with the current *Standard on Ratio Studies* of the International Association of Assessing Officers.
2. Available Resources – staffing and budget requirements for tax year 2023 are detailed in the 2023 budget, as adopted by the board of directors, and attached to the written biennial plan by reference. Eagleview Change Finder, an application that compares a previous aerial flight to a new flight for changes. It was flown in early 2023, 2019 and 2016. A flight comparison back to the 2016 flight has proven very valuable. Eagleview is advanced aerial photography allowing side views (oblique) of property instead of a straight down (orthogonal) aerial photo. A West Texas Council of Governments grant was made available to the district for a flight of the city of Snyder in 2010. The Board of Directors approved the budget line item to fly the remaining portion of the county in 2010 and again the whole county in 2016, 2019, and 2023 years. To meet the requirements of measuring the two most complex sides and reappraisal every 3 years, Eagleview is utilized in the inspection. This photography is available to all government bodies within Scurry County and can be viewed by the public via a computer within the district's office. PACS Mobile, a field capture software used on a tablet computer, made available since the 2017 appraisal year, allows field inspection to be more accurate.
3. Planning and Organization – a calendar of key events with critical completion dates is prepared for each major work area. This calendar identifies all key events for appraisal, clerical, customer service,



and information systems. A calendar is prepared for appraisal years 2022 and 2023. Production standards for field activities are calculated and incorporated in the planning and scheduling process. According to Chapter 13 of the IAAO's *Property Appraisal and Assessment Administration*, "The second component of a good maintenance program is periodic re-inspection of all properties in the jurisdiction. No matter how good a building permit reporting and monitoring system is, undetected changes will always occur. Therefore, all properties should be routinely re-inspected (at least once every three years). Because the chief function of these inspections is to verify existing information, a drive-by inspection, during which the property and property record are compared, is usually sufficient. Two person teams can review and verify a few hundred records per day. Routine field visits can be supplemented with information obtained from aerial photographs."

Reappraisal and re-inspection can be considered two different processes. as Chapter 13 of IAAO's *Property Appraisal and Assessment Administration* also states the following about reappraisal. "Reappraisal Decision Statutes or administrative rules sometimes impose reappraisal requirements. Some jurisdictions use a cyclical schedule, in which a portion of the jurisdiction is physically reviewed and revalued each year. Other jurisdictions revalue all properties in mass at periodic intervals, for example, every year, in response to ratio study results or external factors. Nevertheless, the resulting improvements in valuation uniformity and related benefits should justify the time and expense."

### **Re-inspection Cycle Plan**

It was the goal and intention of the district to implement Eagleview with supplement field work, so the requirement of inspection and measuring of two complex sides is met. There will be field inspection of certain areas and of new improvements found by Eagleview.

For Years 2023/2024 Eagleview change finder software was used to review the changes compared to the previous flight to determine if field inspection will be required to inspect properties throughout the county.

**As stated in the 2021-2023 Reappraisal Plans, Year 2023 involved the appraisal and inspection of AREA I. The Snyder ISD school district was inspected by personal inspection and Eagleview aerial photographs.**

Year 2022 Appraisal Area II includes the IRA ISD and Colorado ISD school districts. Both were inspected by aerial photos or personal Inspection to determine changes. The area is located south of Highway 180 and west of Highway 208. This includes the communities of Dunn (west side), Ira, Knapp, and the Lake Thomas area. This area includes all of Ira ISD. 2022 also involved market reappraisal of properties in the City of Snyder with conformity inspections. Special emphasis was given to all residential property of 25 years old in all neighborhoods of the City of Snyder within area I and III.

**In addition to the above areas, commercial properties in all areas are reviewed. All Business Personal Property and complex properties were appraised each year.**

**Eagleview change finder software on the 2023 flight is being used to determine if field inspection has been completed throughout the county in the past three years.**

4. Mass Appraisal System – Computer Assisted Mass Appraisal (CAMA) system revisions required are specified and scheduled. Harris Govern (True Automation), a division of Harris Computer, PACS software is the current CAMA system of the district. The district considers it to be one of the most advanced systems on the market today. The company is currently pushing out the new generation

software at certain intervals, instead of all at once. This allows the company to control the release updates, allows better customer service, lower cost to the end user, and friendlier to the end user as it will not cause a significant learning curve.

5. Data Collection Requirements – field and office procedures are reviewed and revised as required for data collection. Activities scheduled for each appraisal year include new construction, demolition, remodeling, re-inspection of problematic market areas, re-inspection of the universe of properties on a specific cycle (3 years), and field or office verification of sales data and property characteristics.

6. Studies by appraisal year – new and/or revised mass appraisal models are tested each appraisal year. Ratio studies, by market area or by residential classification, are conducted on proposed values each appraisal year. Proposed values on each residential classification are tested for accuracy and reliability in randomly selected market areas.

7. Valuation by appraisal year – using market analysis of comparable sales and locally tested cost data, valuation models are specified and calibrated in compliance with supplemental standards from the International Association of Assessing Officers and the Uniform Standards of Professional Appraisal Practice. The calculated values are tested for accuracy and uniformity using ratio studies.

8. The Mass Appraisal Report – each appraisal year the tax code requires a Mass Appraisal Report to be prepared and certified by the Chief Appraiser at the conclusion of the appraisal phase of the ad valorem tax calendar (on or about May 15<sup>th</sup>). The Mass Appraisal Report is completed in compliance with STANDARD RULE 6 – 8 of the *Uniform Standards of Professional Appraisal Practice*. The signed certification by the Chief Appraiser is compliant with STANDARD RULE 6 – 9 of *USPAP*. This written reappraisal plan is referenced in this document.

9. Value defense – evidence to be used by the appraisal district to meet its burden of proof for market value and equity in both informal and formal appraisal review board hearings is specified and tested.

A calendar of key events with critical completion dates is prepared for each major work area. This calendar identifies all key events for appraisal, clerical, customer service, and information systems. A separate calendar is prepared for tax years 2022 and 2023. Production standards for field activities are calculated and incorporated in the planning and scheduling process.

## **2023 TAX YEAR CALENDAR OF KEY EVENTS**

### **September, 2022 - January, 2023**

Re-inspection/Reappraisal Process Work

Train new appraisers as needed

Field Card Review and inspection

New Construction inspection and appraisal

Building Permit and Mechanic Lien review and field appraisal.

Monitor market, analyze sales (Deed processing with letters sent out for sales data)

Develop new Business Personal Property Schedules, adopt, and apply mass appraisal format for BPP through PACs.

Discovery and preparation of new Business Personal Property located in SCAD.

Review heavy active areas and determine priorities for the year

Gather Mineral information to send to valuation company

Continue commercial property reappraisal

Prepare to mail renditions to all business and industrial owners including new accounts.

### **January, 2023- May, 2023**

Reappraisal and Re-inspection of Mobile Home Parks and manufacture homes in parks.

Gather Apartment Rents.

Training of new employees or appraisers as needed.

Check remaining Field Cards and New Construction Percent Complete.

Check newer Building Permits.

Analyze problem areas and reappraise/re-inspect

Continue re-inspections/reappraisal process of Commercial Properties

Mail renditions to all business and industrial owners including new accounts.

Monitor market, analyze sales (Deed processing with letters sent out for sales data)

Order new valuation material for Business Personal Property Valuation.

Begin to Value Business Personal Property. Inspect existing businesses.

Gather Mineral information to send to valuation company.

Mail Letters to Operators of New Leases as needed.

Mail new/update Homesteads and Open Valuation Forms throughout year as needed.

Gather other income information on commercial properties including Motel/Hotel reports from the Comptroller's office.

Review and reappraise apartment complex units in Snyder.

Inspect New Business offering information on requirements and appraisal district staff to contact.

Determine and confirm which renditions accounts are valued by Industrial valuation company and deliver renditions to appraiser as the appraisal district receives them.

Confirm and update ownership as needed.

Gather Mineral information to send to valuation company.

Agricultural Market and Productivity valuation. Gather information from local producers, gins, Ag Advisory Meeting, State (capitalization rate), and other agricultural sources.

Reconcile information to calculate productivity value.

Analyze land sales for market study.

Work up remaining residential schedules so they can be tested in April by ratio study.

Gather remaining sales for 2024 ratio study.

Continue re-inspections/reappraisal process

Monitor market, analyze sales (Deed processing letters sent out for sales validation.)

Continue to Value Business Personal Property and communicate with Industrial appraiser.

Prepare and write Mass Appraisal Plan on or around May 15th

Prepare and send out 25.19 appraisal notices

Review all existing and discovery of billboards, cell towers, wind/solar farms, and other types.

Mail new/update Homesteads and Open Space Valuation Forms. (throughout year as needed.)

### **May, 2023-July 25, 2023**

Informal Hearings for value defense.

Prepare for value defense for formal hearings.

Continue training of new hires and appraisers.

Certify 2023 Values.

Gather Mineral information to send to valuation company

**July 26, 2023-November 30, 2023**

Review Eagleview Change Finder data for changes and make field cards as needed.

Continue training of new hires and appraisers.

Finalizing and adjusting prior to and after tax billing statements as needed.

Review market conditions, heavy active areas, and determine priorities for the year.

Discovery and preparation of new Business Personal Property located in Scurry SCAD's jurisdiction.

Gather Mineral information to send to valuation company.

Agricultural Advisory Board Meeting.

Prepare for MAP Review or Property Value Study.

**VALUATION APPROACH****Market Value**

The definition of market value established by the Texas Property Tax Code differs from the definition established by USPAP. Therefore, a JURISDICTIONAL EXCEPTION applies.

The following definition of market value, Section 1.04 of the Texas Property Tax Code, means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

(A.) exposed for sale in the open market with a reasonable time for the seller to find a purchaser

(B.) both the seller and the purchaser know all the uses and purposes for which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use

(C.) both the seller and the purchaser seek to maximize their gains, and neither can take advantage of the exigencies of the other.

The effective date of appraisals is January 1, except inventory, which can be appraised at its market value as of September 1 upon request. To receive the September 1 appraisal date, a taxpayer must file an application by July 31.

The purpose of and intended use of the appraisals performed is to estimate market value for ad valorem tax purposes according to the tax code and USPAP standards within the boundaries of Scurry County Appraisal District. It is the goal of the Scurry County Appraisal District staff to provide the best possible service to the public and the taxing entities.

The Scurry County Appraisal District staff promote and adhere to the professional standards and ethics set forth by the Texas Department of Licensing and Regulation, the Texas Association of Appraisal Districts, the Texas Association of Assessing Officers, and the International Association of Assessing Officers.

**AREA ANALYSIS**

The universe of properties appraised by the Scurry County Appraisal District falls within the physical boundaries of Scurry County. Scurry County is in the Central West Region of the State of Texas and covers approximately 908 square miles or 581,120 acres. The county was created in 1876 and organized on June 28, 1884. It is bordered on the north by Kent County, on the south by Mitchell County, Nolan County on the southeast, Howard County on the southwest, on the east by Fisher

County, and on the west by Borden County. Scurry County is a rural county with one incorporated town, Snyder. Mineral value and the related service industry contribute a large portion of the county's economic wealth.

### **Highest and Best Use Analysis**

The highest and best use of real estate is defined as the most reasonable and probable use of land that will generate the highest return on the property over a period. This use must be legal, physically possible, economically feasible, and the most profitable of the potential uses. An appraiser's identification of a property's highest and best use is always a statement of opinion, never a statement of fact.

To complete a property's highest and best use analysis, an appraiser must estimate the highest and best use as if the land were vacant. This estimate ignores the value of, and the restrictions created by existing improvements. It is the highest value the land could have if it were available for any legal, physically possible, and economically feasible kind of development.

In determining the highest and best use, appraisers make preliminary judgments in the field. The appraisers are generally aware of zoning regulations within the city's physical boundaries.

Scurry County Appraisal District property appraisal cards contain information regarding lot size and frontage; therefore, appraisers typically make judgments on the physical possible use of sites in the field. Economically feasible and most profitable uses are determined by observing surrounding property. However, changes in property use require a more detailed and technical highest and best-use analysis.

### **Market Analysis**

National, regional, and local trends affect the universe of properties appraised in Scurry County. An awareness of social, economic, governmental, and environmental conditions is essential in understanding, analyzing, and identifying local trends that affect the real estate market.

Market analysis is performed throughout the year. Both general and specific data are collected and analyzed. An in-house ratio study is conducted at least once a year.

Examples of sources of general data include "*Trends*" issued by The Real Estate Center at Texas A&M University, "*The Statement*" published by the State Comptroller's Office, "*The Appraiser*" published by The Texas Association of Appraisal Districts, and the "*Texas Assessor's News*" published by the Texas Association of Assessing Officers. When possible, local sources such as lending institutions, local realtors, the Chamber of Commerce, and articles published in the local and area newspapers are used to obtain financing information, market trends and information, demographics, and labor statistics. Sales information is received from various sources. Asking prices can be gathered from the local paper and realtor listings. Information is also collected from conversations with local real estate appraisers, agents, and brokers. Sales confirmation letters are mailed to each new owner when a property changes hands.

Scurry County Appraisal District receives all property filings at the County Clerk's office regularly to track all deed transactions. Sales confirmation letters are mailed to the buyer and seller from this



information to obtain information on the sale. This information is not mandatory in Texas; only a small percentage of letters are returned with useful information. This is a problem in some categories of property as there usually needs to be more sales data to perform as thorough an analysis of sales data as USPAP would require.

However, every effort is made to use what data is available. The Property Tax Division also sends out sales letters, and that data is made available to the appraisal district at least once a year.

Scurry County Appraisal District currently does reappraisals on an annual basis with physical inspections of all property per the biennial plan. The reappraisal includes the cyclical inspection of properties and updating all information on the properties. As information is available, sales and market analyses are performed on residential properties. New properties are inspected, measured, and added to the roll each year. In addition, building permits within the city of Scurry are obtained, and changes to accounts are made as indicated.

Individual properties are also reappraised with changes to the condition as the property warrants, for example, fire, remodeling, or an addition or demolition of a portion of the improvement. Appraisers will perform detailed field inspections of properties if requested by the owner.

The appraisers performing reappraisal in the field have property record cards containing specific information regarding the appraised property. These cards contain a legal description, ownership interests, property use codes, property addresses, land size, sketches of improvements, and any available detailed information about the improvements. Field inspections require the appraisers to check all property record card information and update it if necessary. If a physical inspection of the property indicates changes to improvements, the appraiser notes these changes in the field. Examples of types of changes may be the condition or effective age of the improvements as well as additions to the improvements. The classification of residential properties is also reviewed during the revaluation process for consistency with comparable properties. New improvements are also added at this time.

## **DATA COLLECTION AND VALIDATION**

Scurry County Appraisal District, cost and value schedules include land and residential improvements. Commercial schedules are comprised using information from Marshall & Swift Valuation Services and local factor adjustments. Personal property schedules were developed, and the Property Tax Division appraisal manual was considered. The "*Field Appraiser's Guide*" and these guides are used in conjunction with personal property renditions and on-site inspections. (Marshall & Swift Valuation Service is a national-based cost manual generally accepted nationwide by the real estate industry. The cost manual is based on cost per square foot and the unit place method. The unit-in-place method involves the estimated cost by using actual building components. This national-based cost information service provides the base price of buildings as per classification with modifications for equipment and additional items. The schedule is then modified for time and location.) Renditions are confidential sources and cannot be used for specific information. However, rendition data may be compared with cost manuals and used to test for accuracy.

Scurry County Appraisal District schedules are then formulated from these sources. Schedules may also be modified using local market data (sales information) to ensure the accuracy of the cost and valuation schedules.

Data on individual properties is also collected from the field, compiled, and analyzed. Buildings and other improvements are inspected in the field, measured, and classified. The appraiser estimates the age of improvements and determines the condition of the improvements. This data is used to compile depreciation (loss of value) tables and any notes about the improvements made at this time.

Currently, single-family dwellings are classified for quality and type of construction, whether frame or brick veneer. The classifications range from Class 1 to Class 8 and from HV1 to HV6.

Class 1 is the most basic of structures, using the poorest quality materials and lowest workmanship, while a class 8 structure is of the highest quality, using only the best of materials and the highest and best quality workmanship available. A special class is assigned for any dwelling that exceeds the general description of the top-most classification. HV1 to HV6 represent higher replacement costs for District luxury homes.

The age of the building is used to estimate depreciation and is based on the effective age of the improvements. Effective age is when the property appears newer or older due to maintenance and upkeep. The effective age for a properly maintained house may be its actual or chronological age. However, if a structure suffers from deferred maintenance due to wear and tear and neglect, its effective age may be older than the actual age. In contrast, if a house is an older structure remodeled or updated, its effective age may be less than its actual age.

The condition of the improvements also estimates depreciation. Condition ranges from unsound to excellent. Appraisers in the field usually inspect structures from exterior perspectives. The interior condition is assumed to be similar to the exterior; however, if the taxpayer requests, an interior inspection may be made.

Foundation failure may occur to varying degrees and may also result in loss of value. The appraiser makes allowances for foundation problems on a case-by-case basis.

Additional depreciation may be estimated for various reasons, including functional obsolescence from bad floor plans or out-of-date construction methods. Economic obsolescence results from a loss of value to a property due to adverse influences from outside the physical boundaries of the property. Economic obsolescence may include proximity to prisons, location of residences outside city limits with no access to city amenities, residences on farm and ranch land, etc.

## **Valuation Analysis**

Scurry County Appraisal District valuation schedules are divided into three main classifications: residential, commercial, and personal property. These schedules are based on the most appropriate data available.

Miscellaneous special categories such as mobile homes, special inventory, and agricultural land are appraised using different techniques, which are addressed later in this report.

Depreciation tables/schedules are also included within these schedules. These tables are calibrated from costs and sales data. They are updated as needed. These tables and schedules are included in the *"Appraisal Manual"* maintained by the appraisal district.

## **Residential Schedules:**

Residential valuation schedules are cost-based tables modified by sales data from the county. That is, the cost reflects the actual replacement cost new of the subject property. Market research indicates that the standard unit of comparison for new residential construction and existing housing sales is the price paid per square foot. The value of site improvements and extra items is based on their contributory value to the property. This value may be estimated by the price per square foot or the value of the item as a whole.

Sales analysis and conversations with local appraisers and brokers extract this data from the market.

The residential schedule is based on the size, age, and condition of a structure, quality of construction, contributory value of site improvements, extra items, and land value. Each of these variables has a direct impact on the cost as well as the property valuation. The following is an example of each of the variables and how they affect market value:

1. **Quality of construction:** Residential construction may vary significantly in quality of construction. The type of construction affects the quality and cost of the material used, the quality of the workmanship, and the attention paid to detail. The cost and value of residential property will vary greatly depending on the quality of the construction. As stated above, the District's residential schedules currently class houses based on the quality of construction from Class 1 to Class 8 and HV1 to HV6. This classification schedule is based on the Property Tax Division's definitions of residential classes of dwellings and Marshall Swift improvement descriptions as the SCAD classification for residential improvements with modification for neighborhood and local market.
2. **Size of structure:** The size of a structure also has a direct impact on its cost as well as value. The larger the structure, the less the cost per square foot. Scurry County Appraisal District's schedules are graduated in size increments from 100 to 200 square feet, depending on market conditions.
3. **Condition of improvements:** Scurry County Appraisal District rates conditions from unsound or unusable to excellent. Effective age and actual age are reconciled with the condition code, calculating the percent good of the improvement based on the observed condition. Properties that, in the opinion of the appraiser, are unlivable may be taken off the schedule and given a salvage value.
4. **Age of structure:** Scurry County Appraisal District's residential depreciation schedule groups depreciation factors or percentages together in approximately five-year clusters until the maximum amount of depreciation is reached. As stated above, effective age and chronological age may be the same or different depending on the structure's condition.  
Accrued depreciation is based on market sales given actual age under linear regression analysis.
5. **Site Improvements and Extra items:** As stated above, site improvements and extra items are valued according to their contributory value to the whole. Examples of site improvements and extra items include storage buildings, swimming pools, fireplaces, additional baths, etc.
6. **Land value:** Scurry County Appraisal District values land based on market transactions when possible. As market transactions are not always available, other recognized land valuation methods may be used. The two most common methods are the land residual method and the land ratio method. Land schedules are available at the appraisal district office.

## **Commercial Schedules**

Commercial properties are valued using valid market transactions in the area, along with Marshall and Swift Valuation schedules for the cost approach and market rents and expenses in the income

approach. Market rents and expenses are based on comparable rental property with capitalization using market return rates. Replacement cost new is determined with adjustment for neighborhood and market location. Depreciation is then applied using physical property observation under the age-life method based on market sales analysis.

### **Personal Property Schedules**

Personal property schedules are utilized to value tangible business assets. Business assets include business furniture, fixtures, and equipment. Business inventory is also taxable by law. Business vehicles located within the appraisal district boundaries are also appraised for ad valorem tax purposes.

Business personal property values are derived from several sources. Business owners are required by Texas Law to render their income-producing personal property each year. Many property owners file annual renditions. It is the experience of the District that we receive approximately eighty percent (80%) of the business property renditions. Rendered values are considered on business personal property if the value is reasonable for the type of business and is within acceptable ranges compared to the PTAD personal property schedules and SCAD personal property schedules for the type of business rendered. Should the rendered values not be acceptable, the PTAD and SCAD schedules are applied to estimate values. The value on all business personal property not rendered is estimated based on PTAD and SCAD schedules for the type of business being valued.

Depreciation is determined by the age of the property and the age life method. Schedules are available in the appraisal district office.

Business vehicles are valued based on the NADA Used Car Guide trade-in value for the vehicle's particular make, model, and age. The trade-in value may also be obtained from websites available on the internet. When adverse factors such as high mileage are known, appropriate adjustments can be made to the value. The Scurry County Appraisal District uses "Just Texas" to identify vehicles registered in Scurry County as commercial vehicles.

### **Statistical Analysis**

Statistics are a way to analyze data and study the characteristics of a collection of properties. In general, it is not feasible to study the entire population. Therefore, statistics are introduced into the process.

Scurry County Appraisal District's statistical analysis for real estate is based on measures of central tendency and measures of dispersion. The measure of central tendency determines the center of a distribution. The measures of central tendency utilized with the aid of computer-based programs are the mean, median, mode, and the weighted mean.

The measure of dispersion calculated is the coefficient of dispersion. This analysis indicates the spread from the measure of central tendency.

Statistical bias is measured by the price-related differential (PRD). The PRD indicates how high-price properties are appraised in relation to low-price properties.

These statistics are included in the District's ratio study and may be obtained from the appraisal office.

## **Individual Value Review Procedures**

For comparable sales data to be considered reliable, it must contain a sales date, sales price, financing information, tract size, and details of the improvements.

Sales data is gathered by sending sale survey letters to the buyer and seller of properties that the District knows changed ownership. Commercial sales are confirmed by the direct parties involved whenever possible. Confirmation of sales from local real estate appraisers is also considered a reliable source.

Sales data is compiled, and the improved properties are physically inspected and photographed. All data listed on the property record card is verified and updated as needed, including building classification, building size, additions or new outbuildings, condition of structures, and any change in data or characteristics that would affect the property's value.

Individual sales are analyzed to meet the test of market value. Only arms-length transactions are considered. Examples of reasons why sales may not be considered are:

1. Properties are acquired through foreclosures or auctions.
2. Properties are sold between relatives.
3. The buyer or the seller is under duress and may be compelled to sell or purchase.
4. Financing may be non-typical or below or above prevailing market rates.
5. Considerable improvements or remodeling have been made since the date of the sale, and the appraiser cannot make judgments on the property's condition at the time of the transaction.
6. Sales may be unusually high or low compared to typical sales in the market area. Some sales may be due to relocation or through divorce proceedings.
7. The property is purchased through an estate sale.
8. The sale involves personal property that is difficult to value.
9. There are value-related data problems associated with the sale—for example, incorrect land size or square footage of the living area.
10. Property use changes occur after the sale or the sale involves a change since January 1.

Due to the population size of Scurry County, it is very difficult to obtain sufficient sales data in some property categories to meet USPAP standards for analysis of sales, and exception is taken to USPAP Standard Six in this area.

## **Performance Tests**

Sales ratio studies are used to evaluate the District's mass appraisal performance. These studies provide a measure of performance and are an excellent means of improving mass appraisal performance.

Scurry County Appraisal District uses ratio studies to aid in the revaluation of properties and to test the Comptroller's Property Tax Division annual value study results.

Sales ratio studies are usually performed early in the year to test cost schedules. They may also be performed at any other time deemed appropriate by the chief appraiser. Then individual properties that have sold are reviewed for accuracy in their data. Property record cards indicating the results of the field inspections are used to further aid in the analysis and decision-making.

Ratio studies are usually done on a countywide basis of all residential sales in the county and then by residential classification. The median ratio within each classification is then compared to the desired



ratio to determine if schedule adjustments should be made. The coefficient of dispersion is also studied to indicate how tight the ratios are in relation to measures of central tendency ("goodness of fit" statistic). The median and coefficient of dispersion are good indicators of the changes that need to be made, if any.

Properties that fall outside the common parameters (referred to as outliers) are held out or not included in the study. These properties shall be identified, and their exclusion from the ratio study will be explained. It may be necessary to depart from USPAP Standard 6 in this area.

## **State and Internal 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 2022.

In conducting the PVS, PTAD analyzes certain 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 Scurry County at 100% of the market value, which is within the limits set by the confidence interval of 95% - 105% of market value. The level of appraisal shows whether the SCAD 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 8.63. 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. 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 deferential (PRD) was .92. 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. Assessment progressivity is the result 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.

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 suggests that the SCAD is treating low-value and high-value properties uniformly. In the District case, a PRD of .92 indicates uniformity.

The internal ratio for all categories of property reflects equality and uniformity for all taxpayers within the boundaries of Scurry County.

### **Property Owner Protests, Appeals and Litigation**

During 2023, property owners and professional tax consultants filed 1,897 protests compared to 2,576 in 2022. There were 1,563 protests in 2021. Protests in most categories have increased. The primary reason for the increase was the increase in value due to the oil price per barrel and the strong real estate market. Of those filed, 62 final value orders were delivered to taxpayers from the Appraisal Review Board compared to 42 in 2022 and 21 in 2021. The ARB approved all appraisal records on July 18, 2023. In 2023, 29 protests were heard using an owner/agent affidavit, and 33 were held in person.

Generally, property owners may protest appraised values placed on their property or before 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 an informal meeting with a district appraiser. If no agreement is reached, the property owner is heard before the three-member Appraisal Review Board. The ARB makes its final determination and mails a certified "order" of action to the taxpayer.

If taxpayers are dissatisfied with the ARB's findings, they can appeal the decision to the state district court in Scurry County. Within 60 days of receiving the ARB's written order, the taxpayer must file a petition for review with the district court. There are currently seven active lawsuits involving the years 2019-2023. Property owners may appeal their ARB decision through binding arbitration instead of the Texas District Court. There are currently five arbitrations to be scheduled protesting the 2023 appraisal year. Five arbitrations were filed opposing the 2022 appraisal year. The 2022 arbitrations have been completed.

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 District's current litigation expense report is attached. The Legislative Changes for 2023 and 2024 are also attached.

## **2023 Scurry SCAD Chief Appraiser Annual Report**

In this report of the Scurry County Appraisal District operations for the 2023 fiscal year, I, Jacqueline Martin, Chief Appraiser of the "District," discuss and report on the activities of the District.

A breakdown of the District's performance and the goals established by management for the fiscal year ending December 31, 2023, is provided.

The Chief Appraiser is the chief administrator responsible for daily operations. The chief appraiser reports to the Board of Directors concerning the governance of the appraisal district, including budget, finance, and policy matters.

The Chief Appraiser is responsible for knowledge and application of the principles and practices of the appraisal district. All appraisal district processes are under the direction of the Chief Appraiser and according to the established operational policies of the Board of Directors.

The objectives of the appraisal district are as follows:

- ❖ Texas law requires appraisal districts to appraise all taxable property at 100 percent of its market value. This is the basis for all activities concerning the appraisal district.
- ❖ Appraisal Districts must comply with the requirements of the Appraisal Foundation's Uniform Standards of Professional Appraisal Practices (USPAP), which governs all aspects of property appraisal. Appraisal districts must also follow the legal requirements defined in the Texas State Property Tax Code while observing all reporting and compliance requirements set forth by the Property Tax Assistance Division of the Texas Comptroller of Public Accounts.
- ❖ Knowledge of the local economic factors and other influences affecting property values are utilized in the accurate appraisal of property.
- ❖ Mathematical and statistical tools are developed for accurate appraisal planning and action.
- ❖ Informing the public concerning property tax valuation and their rights as taxpayer.

### **District Activities**

#### **Governance**

The Chief Appraiser advised the Board and updated the Board on the following SCAD operations. 2023 was generally a typical year due to the COVID-19 global pandemic reducing in severity compared to previous years. The District still takes safety measures in allowing public access by keeping distance from others and wearing a mask if the customer prefers it. Employees participate in the CDC recommendations as needed.

- ❖ The Scurry SCAD Board of Directors hired the current Chief Appraiser in a regular meeting on October 25, 2018, to oversee operations of the appraisal district beginning January 1, 2019, and has continued since. The Chief Appraiser evaluation is conducted annually. Operations of the District have been developed, and the plans initiated by the Chief Appraiser as directed by the Board. Approved policies and open meeting action items have been implemented with appropriate regular review. Personnel education and development have been a top priority due

to the retirements of long-term staff members. An ongoing goal is to retain qualified personnel to enable the District to meet and strive to exceed the established goals and standards. Policy and procedures have been updated, office equipment and furniture updated, appraisal functions were improved for efficiency, and clear job descriptions were developed with the staff. New processing practices were developed for renditions, supplements, agents, applications, and value reporting. Litigation has been time-consuming throughout the year, with the District's largest taxpayer, Kinder Morgan, in litigation since 2019. A new Kinder Morgan trial is expected in 2024. The remaining lawsuits are in the early stages.

- ❖ Deadlines were observed and met according to the Property Tax Code Calendar, including the 2023 Appraisal Roll Certification by the deadline, and required submission of records to the state comptroller.
- ❖ Litigation requests have been met timely, informal meetings held with administrators and plaintiffs, court hearing dates scheduled/attended, procedures monitored, and updates passed to the Board and Taxing Unit Administrators.
- ❖ The appraisal district office safety was evaluated. A front door replacement with handicap access was completed in 2023. Workstation computers and a server were replaced in 2023.

## **Budget and Financial Management**

- ❖ The District's accounting system is updated to include the current version of WolfePak software.
- ❖ Financial reports are utilized to allow improved internal controls and reporting.
- ❖ Financial information is presented in a complete and understandable format to the Board.
- ❖ Expenses and anticipated budget changes are noted and explained to the Board and taxing units.
- ❖ Procurement, Capitalization, Fund Balance, and Investment policies are in effect.
- ❖ Quarterly Investment Reports are provided to the Board as required by the Investment Policy.
- ❖ The 2022 Year Financial Audit Report met Governmental Accounting Standards Board compliance and noted no adverse findings. The 2022 Budget surplus was designated for potential litigation costs in the contingency fund for 2023.
- ❖ The 2023 Scurry SCAD Budget was developed by utilizing the two prior years' budgets. The budget is structured to be adequate in maintaining District operations. is 85.1% expended as of November 08, 2023.
- ❖ The 2024 Scurry SCAD Budget was presented timely, adopted, and the budget cost allocation to the taxing units finalized after levy totals. The first billing will be due by December 31, 2023. Due to legislative mandates, the 2024 Budget will require some line-item changes.
- ❖ Each budget year allows the District to build a solid foundation of critical information in which to plan for future budget expenditures.

- ❖ Management will continue to focus on the responsible stewardship of district resources.

## **Personnel**

- ❖ Employees have participated in training as needed. Three RPA Certifications were obtained in 2023. The District now has six certified appraisers: Chief Appraiser, Commercial, Business Personal Property, Agricultural Land, and Residential appraisers. The remaining four employees specialize in GIS/Mapping/Ownership, Business Management, and two Exemptions/ARB Clerks.
- ❖ Duties were allocated within job descriptions and amended based on District needs.
- ❖ Regular staff meetings were conducted with policy reviews. A strong emphasis was placed on developing a cooperative team with appropriate skills and a positive demeanor to work well with one another and the public. The staff has proven to meet delegated project tasks wholeheartedly.
- ❖ Cross-training is ongoing with essential District functions to promote efficiency and accuracy.
- ❖ Staff are informally evaluated with periodic individual and group meetings to discuss the current and future events of the District. An annual written evaluation will be provided.
- ❖ Feedback from employees is encouraged and necessary. Regular communication is conducted with each employee to discuss their current activities and establish any priorities. Each employee is well-suited to their job duties.

## **Board, Taxing Unit, and Public Communications**

- ❖ Communication of necessary information with the SCAD Board, taxing unit administrators, and the public was accomplished. I am available to attend the taxing unit board meetings as requested by the administrator. Four meetings were attended in 2023. Activities include numerous calls, meetings, and emails to community and entity leaders, attendance at community meetings and functions, County newspaper ads and article submissions, monitoring the Truth-In-Taxation website for Scurry County entities, Texas Rural Chief Appraisers Committee member, and President of the regional Big County TAAD association for the past three years. Agenda items are explained with necessary facts to enable appropriate action by the Board.
- ❖ A mineral value outlook presentation was provided by TY Pickett to inform the Board and taxing units of the 2023 mineral value.
- ❖ The 2023 Proposed and Approved Budget, 2023 Budget Amendments, 2023 Certified Value Estimates, 2023 Certified Values, Value Comparison Reports by year, and 2023 Quarterly



Supplement Total Reports and other requests were delivered to the Board and taxing units.

- ❖ Various research and reporting on Scurry County tax abatements and exemption totals were completed. The information was compiled and reported as requested by the taxing units and the state comptroller. New safeguards were put in place for TYP account import verifications.
- ❖ Information for the public was provided to the newspaper including dates and required notices for publication with other additional information located on the website.
- ❖ Other publications/website information such as the Business Personal Property Rendition Handout, Agriculture Special Use Appraisal application letters and the periodic Chief Appraiser newspaper articles were provided to the public to provide helpful information.
- ❖ The office hours include the lunch hour for convenience to the public.

## **Appraisal**

- ❖ The 2023 PTAD MAP Review was finalized. The appraisal district met the standards and is currently in the process of the 2024 PTAD Property Value Study.
- ❖ The 2023 Appraisal was completed with physical inspection and appraisal as per the reappraisal plan.
- ❖ Ratio studies were conducted in comparing recent sales to determine 2023 values. Values of similar properties were evaluated for equity in appraisal. After a review of the consistency of appraised values with the market activity, the mass appraisal residential valuation schedule was modified. The appraisals were retested for accuracy. Annual appraisal of all mineral, industrial, utilities, and business personal property was also completed.
- ❖ Abatement applications were verified and reported. Exemption and special use appraisal applications are verified and approved.
- ❖ Notices of appraised value were sent to all property owners over \$1000 in value increase, allowing the required 30-day time period allotted for inquiry and protests. All appraisal notices are online at the CAD website.
- ❖ Value defense procedures were conducted on 1897 protested accounts. The large majority were resolved in informal meetings with appraisers. The remaining value disputes were scheduled to meet with the Appraisal Review Board. Hearing notices were sent to all active protests.
- ❖ 62 hearings were conducted by the ARB as of November 14, 2023.
- ❖ Five arbitrations were completed. Five arbitrations are pending.
- ❖ Certified Values were delivered to the taxing units on July 25, 2023.

- ❖ The Electronic Appraisal Roll Submission containing Certified Values was delivered to the state.
- ❖ The Electronic Property Transaction Submission was also sent by the deadline to the state.
- ❖ 3 Abatement projects are in development with four others currently under abatement until 2027.

## **Continuing Education**

- ❖ The state-licensed appraisers are current in recertification requirements and individual certification timeframes. The three state-licensed appraisers are held to required continuing education. Three additional employees obtained their TDLR licenses in 2023.
- ❖ The Big Country TAAD meetings were conducted by Zoom and in person. The staff has participated in remote training opportunities and some in-person training. Harris True Automation, TAAD Conference, BIS Cyber training, Customer Service Training, and the Rural Chief Appraiser Conference will be attended. Job training, performance, and discussion on District activities for all staff is a continual process.
- ❖ As Chief Appraiser, state requirements are met by attending The Texas Association of Assessing Officers Conference, Property Tax Institute, TAAD Conference, Chief Appraiser Ethics, State Laws & Rules Update, USPAP refresher course, and the PFIA Investment Officer Training.

## **Summary of Goals and Activities**

2023 Actions approved by the Board have included:

- ❖ Insurance for the governmental entity in medical, life, AD&D, workman's compensation, liability, and building contents. Texas County and District Retirement System is utilized for personnel pension benefits. Personnel policies and purchasing systems were proposed and approved by the Board.
- ❖ Workstation equipment and furniture have been purchased to accommodate the ten employees.
- ❖ Numerous goals exist in striving to achieve the District's mission of "Providing accurate and uniform appraisals based on the local market, conducted in a fair and professional environment with an emphasis on professional customer service." This mission statement encompasses the legal requirements and the local standard of exceptional public service with an informed and helpful staff.

- ❖ Management short-term goals include continued compliance and submission of the documents for the 2023 MAP Review. All procedures within the District operations continue to be evaluated and modified to provide the finest service, efficiency, and appraisal accuracy within the scope of our work responsibilities.
- ❖ Long-term goals include ongoing efforts to educate the public concerning the purpose of the appraisal district by providing a user-friendly website and publications as well as personal service. I am also committed to the future sustainability of the District by retaining qualified personnel to continue improving District operations from year to year.

State legislators' mandates have increasingly required appraisal districts to raise the standard of services and accuracy of the business. I have implemented and monitored the appraisal district's short- and long-term strategic goals. The staff has shown exemplary efforts toward the District's tasks and goals.

The Scurry SCAD Board of Directors has been very supportive and helpful this year in providing feedback on Board expectations. Approving the necessary resources to accomplish the work has been instrumental in the District's success.

Projects scheduled to continue through 2024 include:

- Improving our mobile maps/field appraisal productivity and efficiency for photos and appraisal.
- Implementing electronic communications portal on the CAD website.
- Replacing land line phones with VOIP phones.
- Employee training and education.
- Continuing oblique imagery flight research.
- Sales confirmation information and research
- Microfilm conversion.
- GIS conversion from Mims to ESRI product.
- Consultation services utilized for complex appraisal reviews.
- Calibrating our land tract schedules.
- Agricultural inspections on native pasture and expired land in the Conservation Reserve Program.

The District will continue administering the laws under the property tax system and operating under the standards of:

- The Property Tax Assistance Division of the Texas State Comptroller's Office (PTAD),
- The International Association of Assessing Officers (IAAO), and
- The Uniform Standards of Professional Appraisal Practice (USPAP).

It has been a productive year with experience that will assist in continued improvement for the coming

year. Enhancing appraisal performance and service to the entities and taxpayers will remain the top priority. I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct;
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the properties that are subject of this report, and I have no personal interest or bias with respect to the parties involved;
- my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the taxing jurisdiction, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event;
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the Board of Tax Professional Examiners, and the International Association of Assessing Officers;
- I have made, or caused to be made, a personal inspection of the properties that are the subject of this report;
- significant professional assistance was provided to me, Chief Appraiser of the appraisal district, by the staff appraisers, and various TY Pickett & Co. employees for the 2023 year.

  
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Jacqueline Martin, RPA, RTA, CTA