

# **PALO PINTO APPRAISAL DISTRICT**

## **ANNUAL REPORT 2023**

**This annual report is created to provide the reader with information and understanding of the responsibilities and activities of the operations of PPAD. This report will highlight our appraisal operations, the appeals process and our customer service.**

**PPAD works hard to provide equality and uniformity to the property owners. The taxing jurisdictions within the boundaries of Palo Pinto County rely upon the work of PPAD and expect our operations to be efficient, accurate and timely.**

**PPAD's appraised values are tested by the Texas State Comptroller – Property Tax Division to ensure that all the school district within the boundaries of Palo Pinto County receive accurate appraised value for setting the basis for their school funding.**

**The Texas State Comptroller – Property Tax Assistance Division also tests all appraisal districts in the state on their governance, taxpayer assistance, operating procedures and appraisal standards, procedures and methodology.**

**I would like to thank you for taking the time to review this annual report and hope that it helps all readers to gain insight into the operations of Palo Pinto Appraisal District.**

**Sincerely,**

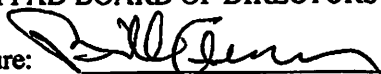
**Chuck Lyon**

**Executive Director/Chief Appraiser**

**July, 25, 2023**

**APPROVED BY THE PPAD BOARD OF DIRECTORS ON 07-25-2023**

**Chairman BOD Signature:**



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## **SCOPE OF WORK**

The Palo Pinto Appraisal District (PPAD) is a political subdivision of the State of Texas created to be effective January 1, 1980. The Texas Property Tax Code governs the legal, statutory and administrative requirements of all the appraisal districts in the State of Texas. The governing body of PPAD is a board of directors. The board of directors is appointed by the elected governing boards of the taxing entities that have property within the boundaries of Palo Pinto County. The chief appraiser is the chief executive director and the chief administrator of PPAD. The chief appraiser is appointed by the board of directors.

For 2023 Palo Pinto Appraisal District (PPAD) appraised all taxable property on approximately 41,839 parcels. PPAD also is the office that grants or denies exemptions (Homesteads, Religious Exemptions etc.) and grants or denies special appraisals (1-d-1 or wildlife). The PPAD staff is very knowledgeable and will be very helpful in assisting with helping with any exemption or special appraisal. There are 21 entities in Palo Pinto County for which PPAD determines values for ad valorem taxes. This includes school districts, county, cities, and hospital and water districts. Ad Valorem taxes are what funds public services. The appraisal process is designed to establish a tax base and ensure that the tax burden is distributed equally according to the market value of properties. Each taxing jurisdiction sets their own tax rate to generate revenue to pay for the operations of its entity.

Citizens do have a voice in the ad valorem process. Voters elect the officials who set the tax rates, and establish the taxing entity budgets. There are various public meeting that occur during the ad valorem tax process.

PPAD currently has 14 employees. The chief executive officer of the appraisal district is the Chief Appraiser. The Deputy Chief Appraiser appraises properties and assists the Chief Appraiser in all operations of the appraisal district. 4 Real Estate appraisers and 1 appraiser for income producing Personal Property. PPAD also has a Receptionist, an Exemption Specialist, a GIS Mapping Coordinator, a Data Entry/ ARB Recording Secretary, a Deed Department and an ARB Coordinator.

The 2023 the total market value in PPAD grew to \$9,088,743,970 from \$8,618,992,015 in 2022. However due to exemptions and special appraisals the taxable value for 2023 is \$5,363,047,454 from 2022 taxable of \$4,775,418,844. As of 2023 Certification PPAD still had an estimated \$96,782,731 of taxable value on the supplemental and protested roll that are expected to get added to the 2023 Appraisal Roll in the fall.

Per the Texas Property Tax Code, the market value of all taxable property shall be determined by the application of generally accepted appraisal methods and techniques. PPAD appraises property using mass appraisal standards. Per the Texas Property Tax Code: "all taxable property is to be appraised at its market value as of January 1 of each year.... All properties are to be appraised equally and uniformly." The Tax Code also requires each appraisal district to implement a plan for reappraisal of all properties within its boundaries. The Tax Code directs

that all real estate must be reappraised at least once every three years. For 2023 PPAD is in a three-year reappraisal cycle. Each year one third 1/3 of the county properties are reappraised. However, each year all real estate properties are analyzed and adjusted as needed to keep values at an equal and market value. Income producing personal property is appraised every year. The actual appraisal inspection of properties is normally conducted August through March each year.

### **TAXING ENTITIES SERVED**

The twenty (21) taxing jurisdictions within the boundaries of PPAD include;

Cities: Gordon, Graford, Mineral Wells, Mingus and Strawn;

School Districts: Gordon, Graford, Lipan, Millsap, Mineral Wells, Palo Pinto, Perrin/Whitt, Santo and Strawn.

Also included are Palo Pinto County, Palo Pinto Emergency Services District #1, Palo Pinto Hospital District, Keechi Water District, Palo Pinto Fresh Water District #1, Sportsman Word Mud, and Lakeview Point MUD levied an ad valorem tax for the first time in 2023. PPAD only appraises to the Palo Pinto County Line for each of these taxing entities.

### **RECORDS AND DATA**

Palo Pinto Appraisal District is responsible for establishing and maintaining records for approximately 41,800 parcels of real estate, income producing personal property, mineral, industrial and utility parcels located within the boundaries of Palo Pinto County. Each parcel record contains property ownership, descriptions, characteristics, location, special appraisal information and exemption information. All parcel information is verified and updated as necessary through field inspections. New construction is located, inspected and documented into the appraisal records.

### **HOMESTEAD EXEMPTIONS**

To qualify for a general homestead exemption, you must own and reside in your home on January 1 or have purchased it during the year and the property and new owner does not already have the exemption. You can qualify for the over-65 or disabled homeowner exemptions as soon as you turn 65 or become disabled, as long as you own the home and live in it as your principal residence.

If you have more than one house, you can receive exemptions only for your main or principal residence. You must live in this home on January 1. A person may not receive a homestead exemption for more than one residence homestead in the same year.

Palo Pinto Appraisal District requires documentation such as a copy of driver's license or voter's registration as proof of residency.

Below you will see the list of exemption amounts for homesteads in PPAD

| <u>JURISDICTION</u>            | <u>%</u> | <u>0/65</u>     | <u>REG</u> | <u>LOCAL</u>  |
|--------------------------------|----------|-----------------|------------|---------------|
|                                |          | <u>DISABLED</u> |            | <u>OPTION</u> |
| PALO PINTO COUNTY              |          | \$10,000.       |            |               |
| EMERGENCY SERVICES DISTRICT #1 |          | \$10,000.       |            |               |
| HOSITAL DISTRICT               |          | \$10,000.       |            |               |
| GORDON ISD                     |          | \$10,000.       | \$100,000. |               |
| GRAFORD ISD                    |          | \$10,000.       | \$100,000. |               |
| MINERAL WELLS ISD              |          | \$10,000.       | \$100,000. | \$5,455.      |
| PALO PINTO ISD                 | 20%      | \$10,000.       | \$100,000. |               |
| SANTO ISD                      |          | \$10,000.       | \$100,000. |               |
| STRAWN ISD                     |          | \$10,000.       | \$100,000. |               |
| GORDON CITY                    |          |                 |            |               |
| GRAFORD CITY                   |          | \$ 5,000.       |            |               |
| MINERAL WELLS CITY             |          | \$10,000.       |            |               |
| MINGUS CITY                    |          | \$10,000.       |            |               |
| STRAWN CITY                    |          |                 |            |               |
| KEECHI WATER DISTRICT          |          | \$ 5,000.       |            |               |
| SPORTSMAN WORLD MUD            | 20%      | \$10,000.       |            |               |

### APPEALS

Notices of Appraised Values were mailed April 13, 2023. Notices were mailed to property owners whose value increased \$1,000 or more, new property owner, any account that requested a notice, properties that lost or were granted an exemption or special appraisal and to owners that rendered their property and to all properties that are located in an area that was reappraised.

If property owners do not agree with their value or a determination on an exemption or special appraisal, they have 30 days from the date that this notice was mailed to send their protest to PPAD. Of course within this 30 day time from, property owners can call or come to the PPAD office Monday through Friday from 8:00 AM to 4:30 PM to visit with the appraiser for your area.

Once protests are received, the ARB Coordinator schedules all protests for a hearing with the Appraisal Review Board (ARB). At these ARB hearings, property owners or agents will have to opportunity to explain and provide documentation to the ARB on why they do not agree with their Notice of Appraised Value. The Palo Pinto Appraisal District will also have representation at this hearing and will also have the chance to provide documentation to the ARB as to how they determined the values on the Notice of Appraised Value. Once the ARB hears all the evidence from the property owner and from the appraisal district, the ARB makes a determination on the protest. This all occurs in one hearing that is conducted in the board room of the Palo Pinto Appraisal District. The ARB is an informal board of citizens that are appointed by the Board of Directors of the appraisal district. The Board of Directors of the appraisal district is nominated and elected to position by the taxing entities in the county. The ARB is a separate entity from the appraisal district. However, the ARB does use appraisal district staff to receive the protests, schedule the hearings and the send notifications to property owners after the hearings are completed.

**DISTRIBUTION OF TAX BURDEN**

For Palo Pinto Appraisal District approximately 96% of the market value is real estate and personal property appraised in house. Industrial, minerals, utilities and other personal property are approximately 4% of the total market value. The value loss due to the special appraisal evaluation of 1-d-1 (open space or “Ag”) is over \$2,643,789,590. Homesteaded properties due to cap loss decreased the taxable value by over \$492,358,930. Totally exempt properties add another \$492,358,930 to the reduction in the market value.

Below please see the Certified Market and Taxable values for each taxing entity in Palo Pinto County for 2023 as of certification date July 13, 2023.

|                       | MARKET           | TAXABLE          |
|-----------------------|------------------|------------------|
| Palo Pinto County     | \$9,088,743,970. | \$5,363,047,454. |
| Emergency Services #1 | \$9,088,742,843. | \$5,363,046,307. |
| Hospital District     | \$9,088,743,970. | \$5,363,955,785. |
| Gordon City           | \$47,327,636.    | \$34,695,020.    |
| Graford City          | \$48,592,636.    | \$33,519,907.    |
| Mineral Wells City    | \$1,598,351,708. | \$1,149,392,320. |
| Mingus City           | \$24,583,001.    | \$19,022,442.    |
| Strawn City           | \$47,843,932.    | \$35,742,426.    |
| Gordon ISD            | \$552,792,358.   | \$216,495,642.   |

|                       |                  |                  |
|-----------------------|------------------|------------------|
| Graford ISD           | \$2,480,081,217. | \$1,699,169,219. |
| Keechi Water District | \$150,608,281.   | \$38,844,986.    |
| Lakeview Point MUD    | \$21,391,110.    | \$21,391,110.    |
| Lipan ISD             | \$113,112,909 .  | \$38,768,937.    |
| Millsap ISD           | \$11,396,795.    | \$8,077,650.     |
| Mineral Wells ISD     | \$2,672,399,814. | \$1,348,030,163. |
| Palo Pinto ISD        | \$1,411,259,703. | \$868,911,236.   |
| Perrin/Whitt CISD     | \$83,293,648.    | \$20,857,447.    |
| Santo ISD             | \$1,508,102,697. | \$512,627,200.   |
| Sportsman World Mud   | \$272,329,021.   | \$222,323,539.   |
| Strawn ISD            | \$255,770,856.   | \$81,184,856.    |
| WSD1                  | \$171,731,854    | \$166,622,937    |

**NEW CONSTRUCTION**

In 2023 Palo Pinto County had 1424 parcels with new value that totaled \$181,425,560 in new construction value.

**SUMMARY OF MAJOR ACCOMPLISHMENTS**

PPAD had over 3353 protests filed in 2023. We did meet the 95% not under protest before July 13<sup>th</sup>, and were able to certify on time. We will have an additional 2 weeks of additional ARB hearings in August to September, 2023. PPAD will have a ratio study conducted for the 2024 appraisal year for all taxing entities in Palo Pinto County.