

CROSBY CENTRAL APPRAISAL DISTRICT



Annual Appraisal Report 2023

Purpose

This report serves as the official Annual Appraisal Report for the year 2023 for the Crosby Central Appraisal District, located at 109 W Aspen St. Crosbyton, Texas. This report has been prepared in compliance with the International Association of Assessing Officers (IAAO) Standard on Public Relations, Section 6.5.1: Local Annual Report. This report briefly summarizes the District's appraisal activities for the year 2023, including property types and parcel numbers, exemption types and value loss, market and taxable values, and appraisal notices and appeals summaries.

General Information

Governance

The appraisal district is a political subdivision of the state that was created through legislation passed by the 66th Legislature. The District is governed by a board of eight directors who are responsible for setting policies, approving the annual budget, and hiring the Chief Appraiser. Additionally, the Board of Directors is responsible for appointing members of the Agricultural Appraisal Advisory Board (AAAB). The Chief Appraiser is responsible for hiring personnel and managing the District's administrative and appraisal operations.

Ad Valorem Tax System

The property assessment system is a complex and technical profession vital to the financial health of local government. The District's principle task is to discover, list, appraise all taxable property within its jurisdiction, and administer exemptions. The Texas Property Tax Code requires appraisal districts to appraise all real and business personal property at its fair market value as of January 1st each year. The District determines the market value of a property using mass appraisal standards and techniques which comply with the Uniform Standards of Professional Appraisal Practices (USPAP). The same appraisal methods and techniques are used in appraising the same or similar kinds of property. The District maintains an appraisal roll identifying taxable property within the territorial boundaries of Crosby County, which collectively creates the tax base which is utilized by taxing jurisdictions to collect the revenue necessary for daily operations and public services.

Appraiser Requirements

Appraisers employed by the District are subject to the requirements set by the Property Taxation Professional Certification Act (Act) which was passed by the 68th Legislature. Appraisers are required to register with the Texas Department of Licensing and Regulation (TDLR) prior to performing appraisal assignments. The Act requires appraisers to successfully complete a series of educational courses and exams which must be completed within a five-year period. Upon completion of all required coursework and examinations, appraisers will earn designation as a Registered Professional Appraiser (RPA). Once an appraiser has been certified as an RPA they must recertify on a biennial basis. Each recertification period must include no less than thirty hours of continuing education credits (CE), which must include 2 hours of ethics, 3.5 hours of USPAP, and a law and rules update course set by the state legislature. During the 2022 appraisal year the District employed 1 appraiser with an RPA and 2 appraisers working towards RPA certification.

Budget Summary

The District's annual budget is approved by the Board of Directors and funded by the various taxing jurisdictions of Crosby County. The District's budget for 2023 was approved on August 25th, 2022 and totaled \$370,000.

Number of Accounts

The number of property accounts in 2023 as of the certification date was 9,205. Property accounts are categorized as real property, business personal property or utilities and minerals. A summary of the number of accounts within each category can be found in the table below.

Category	Accounts
Real Property: <i>Residential, Multi-Family, Commercial Properties, Vacant Lots, & Rural Tracts</i>	7378
Personal Property: <i>Mobile Homes, Tangible Business Personal, Industrial Properties, Personal Leased, & Business Vehicles</i>	171
Utilities & Minerals: <i>Telephone, Gas, Cable, Other Utility Companies, & Oil and Gas</i>	1654
Total Accounts	9203

The table below provides the number of accounts by taxing jurisdiction.

Taxing Units	Total Parcel
Crosby County	9203
Crosbyton CISD	3199
Lorenzo ISD	3048
Ralls ISD	3497
City of Crosbyton	1020
City of Lorenzo	677
City of Ralls	1185
Crosby County Hospital District	9203
High Plains Water District	7232

* As of July 25, 2023, Certified Grand Totals

Appraisal Activities

In accordance with the 2023-2024 Reappraisal Plan, the Appraisal District began mass appraisal activities in October of 2022. Mass appraisal consists of the periodic reinspection of all properties over a three-year cycle. The District performed its mass appraisal objectives through physical inspection. A detailed report of all 2023 appraisal activities is available in the 2023 Mass Appraisal Summary Report.

Upon completion of the mass appraisal process, other yearly appraisal activities are assigned. These activities typically include the discovery of new construction, demolitions, improvement additions, and repairs/remodels. New construction is primarily identified through new development plats and building permits. During mass appraisal, sales data is collected, screened and analyzed through ratio studies, which measure appraisal accuracy and level of appraisal (equal and uniform).

Upon completion of the final value review, the following statistics were compiled. Overall, market value county-wide increased a total of 11.76 %. This increase was predominantly due to the current market conditions affecting the real estate industry.

Appeals

Appraisal notices were mailed to property owners and agents on May 8, 2023, and totaled 4,043.

The appraisal notices, which consisted of Mineral, Utility and Industrial properties, were mailed on May 5, 2023, which was 426 notices.

The District published/distributed a number of news releases through various media sources. The local newspaper provided coverage for some of the news releases. As required by law, the District purchased several newspaper advertisements in order to inform the public of the appraisal notice mail outs and of the rights, responsibilities, and remedies of a property owner.

As a result of the appraisal notice mail-out, the District received and processed approximately 145 protests. The ARB held hearings for 3 days during the months of June and July, and finalized all of the 145 protest cases. The ARB was able to process, determine and finalize protest cases by July 11, 2023. Consequently, 100% of the appraisal roll was approved on July 11, 2023, by the ARB. The Chief Appraiser certified the appraisal roll to the taxing entities on July 25, 2023, and met the required deadline set by TPTC.

Exemptions and Agricultural Appraisal Value Loss

The District is responsible for administering exemption services to property owners. An exemption reduces the taxable value of a property, which in turn decreases the property owner's tax burden. Cumulatively, the total loss for Crosby County due to all exemptions and total exempt properties is \$245,697,959 of market value. The table below summarizes the exemptions available to property owners through Crosby County and the county's total taxable value loss due to each exemption.

State Mandated & Local Optional

	Homestead	Over-65	Disabled	DV	DV 100%
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Crosby County Value Loss	0	0	0	35 346,040	14 1,356,624
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Cities

Crosbyton Value Loss	168	150	27	7 60,500	4 314,681
Ralls Value Loss	176	162 517,130	12 36,000	9 87,500	3 151,799
Lorenzo Value Loss	108	95	12	7 75,000	2 306,902

Schools

Crosbyton CISD Value Loss	485 29,891,263	67 638,250	1 2705	10 77,750	3 45,293
Ralls ISD Value Loss	434 26,907,566	40 363,755	2 20,000	3 34,000	1 177,720
Lorenzo ISD Value Loss	277 18,034,943	34 311,548	2 20,000	6 66,688	3 125,407

Special District

Hospital Value Loss	564	537	59	35 346,040	14 1,356,624
Water Value Loss	540	501	57	33 326,540	12 1,210,387

*As of July 25, 2023 Grand Totals

The Texas Property Tax Code (TPTC) allows property owners to request a special agricultural appraisal. Properties qualifying for this appraisal are assigned a market value and a special agricultural-use value. The special agricultural-use value is lower than market value and the property is assessed at its special agricultural-use value thereby decreasing a property owner's tax burden. Special agricultural-use value is based on the capacity of the property to produce agricultural goods, defined as productivity value. In Crosby County a total of 574,997 acres have qualified for productivity value, with a total value loss of \$590,817,920 from a total market value of \$691,963,580. The taxing entities may recapture the value difference for the previous five years through a process called a "rollback". A "rollback" is initiated when a property with productivity value ceases agricultural use and a "change of use" occurs.

Market and Taxable Value

The 2023 Market Value Distribution by Property Category information below illustrates that the top three property categories are Commercial Properties, Rural/Ag Land, and Single & Multi Family Residences. These three categories represent over 71.91% of the District's market value.

Single & Multi Family Residences - 18.46%

Commercial Properties - 28.22%

Mineral Properties - 10.62%

Vacant Properties - 0.40%

Ag/Rural Properties - 25.23%

Utilities - 3.78%

Exempt Properties - 8.30%

Business Personal Property - 4.94%

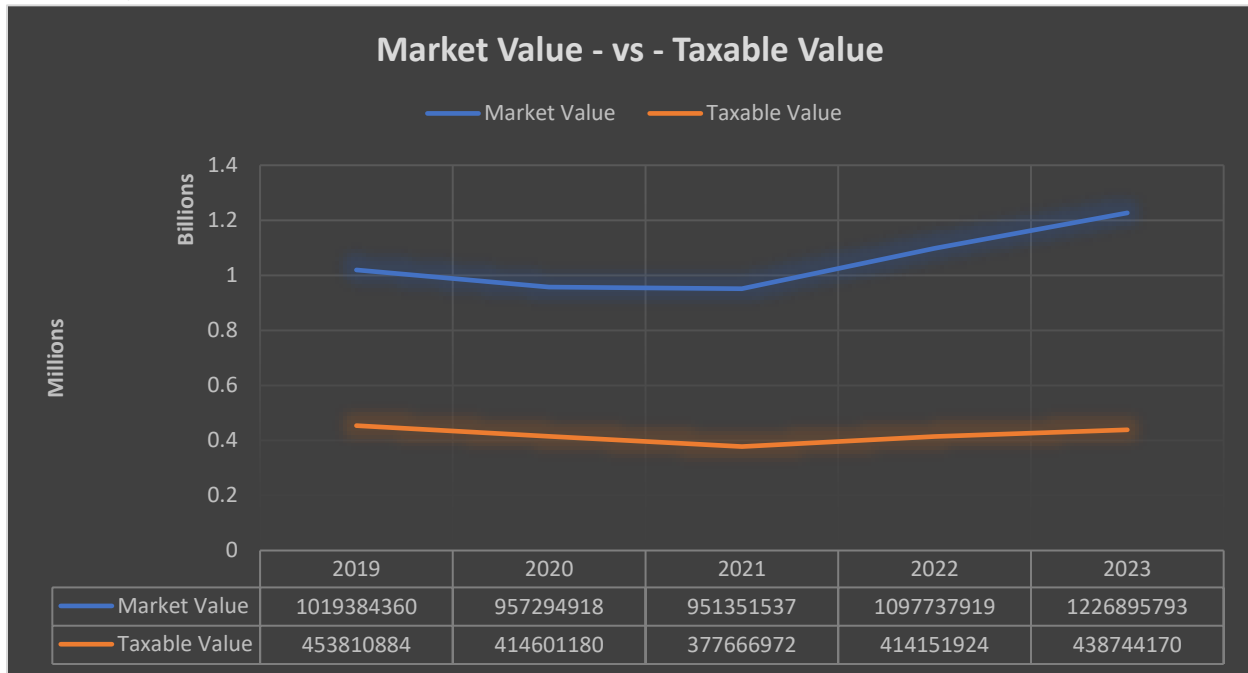
Special Inventory Properties - .05%

2023 Total Market Value \$ 1,226,895,793

*As of July 25, 2023 (Crosby County Grand Totals)

The graph below provides a 4-year comparison of the District’s overall market and taxable value.

As of July 25, 2023



The table below summarizes the 2023 market and taxable values for each taxing entity which were certified on 7/25/2023.

Total Value by Taxing Entity		
Taxing Entity	Market	Taxable
Crosby County	1,226,895,793	438,744,170
Crosbyton CISD	547,283,356	113,101,231
Lorenzo ISD	368,443,005	162,220,701
Ralls ISD	336,692,998	129,092,067
City of Crosbyton	65,011,968	48,924,771
City of Lorenzo	42,213,880	33,866,843
City of Ralls	67,448,918	54,348,542
Crosby County Hospital District	1,226,851,043	465,950,670
High Plains Water District	936,586,236	539,618,403

Property Tax Division

Section 403.302 of the Texas Government Code requires the Comptroller to conduct a study to determine the degree of uniformity and the median level of appraisals by the appraisal district within each major category of property, as required by Section 5.10 of the Texas Property Tax Code. The study is performed every other year, and if the locally appraised values for a particular school district are within the statistical margin of error of the state value, the Comptroller's Property Tax Assistance Division (PTAD) will certify the school district's local tax roll value to the Commissioner of Education. A 5% margin of error is used to establish the upper and lower value limit for each school district. If the local value falls outside the acceptable range, the Property Tax Assistance Division will certify the state value, unless the school district is eligible for a grace period, which is a period when local value is used even though it is determined to be invalid. The Crosby County Appraisal District had a property value study conducted in 2022, with final results being published on the Comptroller's website at: <https://comptroller.texas.gov/taxes/property-tax/pvs/2022f/index.php>.

The final results for Crosby CAD indicated that Crosbyton CISD and Lorenzo ISD was within the confidence interval, with the local tax roll value being certified to the Commissioner of Education. However the PVS found Ralls ISD values invalid, but local value was certified because the school district is in year one of the grace period. PTAD will perform a Property Value Study on Ralls ISD in 2023. The preliminary results should be available January 2024.

Section 5.102 of the Texas Property Tax Code requires the Comptroller of Public Accounts to review county appraisal district governance, taxpayer assistance, operating standards, procedures and methodology at least once every two years. This review is known as the Methods and Assistance Program (MAP) Review, with the District's most recent review being completed in 2021. The ratings for the District's 2021 review were "PASS" for all of the mandatory requirements, and "MEETS ALL" for governance, taxpayer assistance, operating procedures, and appraisal standards, procedures and methodology. A copy of the final report may be found at: <https://comptroller.texas.gov/taxes/property-tax/map/2021/index.php>