

MITCHELL COUNTY APPRAISAL DISTRICT LOCAL ANNUAL 2023 REPORT

The Mitchell County Appraisal District was formed January 1, 1980, by acts of the Texas Legislature. State law requires one appraisal district per county to appraise all property within that county. The appraisal district has been set up by the ¾ rule by resolution when taxing units meet to create the district. The typical district has a 5 member board set out by Tax Code Section 6.03. Mitchell County has 8 members with 1 from Loraine ISD/City of Loraine, 3 from Colorado ISD, 1 from Westbrook ISD/City of Westbrook, 1 from City of Colorado City, 1 Mitchell County, with the Tax Collector being a non voting member on the board of directors.

In 2023, the appraisal district appraised 28,713 parcels of property with a total market value of \$1,555,652,074 and taxable value of \$920,562,617. Real estate is appraised by contract with Western Valuation and Consulting, LLC. Minerals and utilities are appraised by contract with Thos. Y. Pickett & Company, Inc. Business personal property renditions are worked by staff and verified by Western Valuation and Consulting, LLC. The area encompassing Loraine ISD were re-inspected and reappraised in 2023 according to the Reappraisal Plan approved for 2023-2024.

PROPERTY TYPES AND VALUES-Mitchell CAD

| Property | Total Value | Percentage |
|--|------------------------|------------|
| Single Family Residential | \$ 193,348,270 | 10.03% |
| Multi-Family Residential | \$3,390,895 | 0.18% |
| Vacant Lots | \$5,566,998 | 0.29% |
| Agricultural Land | \$592,696,491 | 30.74% |
| Farm and Ranch Improvements | \$8,018,115 | 0.42% |
| Non-Agricultural Land & Improvements | \$121,497,607 | 6.3% |
| Commercial & Industrial Real Estate | \$95,879,338 | 64.97% |
| Commercial & Industrial Personal | \$95,150,240 | 4.93% |
| Oil and Gas | \$230,875,996 | 11.97% |
| Utilities | \$458,094,933 | 23.76% |
| MISC (Inventory, Special Inventory Property, or other) | \$123,808,702 | 0.01% |
| Totally Exempt Property | \$115,337,792 | 0% |
| Total | \$1,928,327,585 | |

RESIDENTIAL APPRAISAL PROCESS

Homes are reappraised every three years by appraisers with Western Valuation and Consulting, LLC. The basis of the appraisal is a cost approach utilizing Marshall Valuation Service as a basis for that cost. Various classes are used to develop the different values for different qualities of original construction. Using an iPad as an entry device, the appraiser goes by each parcel in the area assigned, compares the drawing on the appraisal card with the shape and size of the actual property and re-measures the house if differences are noted. The appraiser also checks the current condition of the home and notes the condition in the iPad as well as any notes about the property that would impact value. An updated picture is taken with the iPad and all of the information is uploaded to the District software. After all assigned properties are rechecked for the year, values generated are compared to recent sales prices to develop a ratio study. If that ratio study yields a **ratio** below 95% or above 105%, the data is analyzed and the figures are adjusted to fall within the state standards. Individual towns and areas of the county may be adjusted differently to accurately reflect current market value.

MULTI-FAMILY APPRAISAL

Apartments, duplexes and other types of multi-family parcels are initially appraised using a classification system based on Marshall Valuation Service. The appraiser notes the condition of the property and records this information in the iPad. If a taxpayer appeals the value, income to the property is considered in making appropriate adjustments. Appropriate capitalization rates are derived from the Mitchell County market or similar areas if necessary.

VACANT LOTS

Lots are appraised using comparable sales when those sales are available. Similar prices per square foot are placed on all parcels within a neighborhood. When sales are not available, the abstraction method of land value is used removing the contributory value of the improvement from sales price to yield land value. The allocation method is also used which states that the land should be approximately 10-15% of total sales price. Care is taken to ensure that similar prices per foot are placed on all parcels with similar characteristics and similar location.

RURAL LAND APPRAISAL

Market sales are the primary method used in appraising agricultural land. Sales are gathered from multiple sources and the characteristics of that land are noted such as if it is tillable or pasture and the soil quality. Size of tracts sold is also noted to develop tables for the various types of land and the location of that property in the county. Location does seem to have impact in parts of the county. Since 2012, land that borders Interstate 20 showed differences and had be accounted for, but have seem to leveled off since oil prices fell post 2014. Land sales in that area had driven asking prices higher due to the oil activity that was expected due to discovery of new finds in the Cline Shale.

For most agricultural land in the county, an alternate method of appraisal is used which reflects the agricultural value of each parcel. It is developed from surveys and discussions with farmers and ranchers in Mitchell County. Typical net-to-land income is capitalized using a state mandated 10% cap rate. For example, if net to land for good farmland is \$25/acre, that income is divided by the 10% cap rate yielding an agricultural value of \$250/acre. Significantly lower net to land is earned by pastureland. For qualifying farmers and ranchers, this method of taxation yields a much lower tax bill than paying on the market value of the same land.

COMMERCIAL APPRAISAL

Commercial real estate is appraised beginning with Marshall Valuation Services cost data. Different types of commercial property are categorized by the appraiser. The appraiser also notes condition of the property. The basic costs are then adjusted based on the comparisons of the initial values with sales that have occurred. Again, the 95%-105% ratio set by the state is utilized in making appropriate adjustments to the cost to arrive at those ratios.

OIL AND GAS APPRAISAL

The values of oil and gas production are developed using production history of a well. With that production history, a decline curve is developed which accurately estimates the economic life of the well. This is the amount of oil and/or gas that will be recovered ultimately. The price of oil used in the computer model is based on prior year prices and the method is mandated by state law. Future income is discounted based on current economic conditions. The appraiser also utilizes production expense typical for the area and that expense is considered for the operator value of the lease. Once the lease is valued, the total value is allocated to individual royalty owners based on their individual percentages of ownership. The net value of the operator may also be allocated to operator interests.

UTILITIES AND PIPELINES

Utilities and pipelines are appraised typically by a unit method. The entire company is appraised most often using the net income to the company. The total value of the company is allocated to each tax unit based on how many of the company's assets are within that tax jurisdiction. Miles of line, meters, etc. are typical methods of allocation.

BUSINESS PERSONAL PROPERTY

State law requires every business owner to render (give) a listing of their assets to the appraisal districts in which they have property. The District utilizes the information provided to estimate a market value for those assets. If the rendition value does not look reasonable compared to similar types of property, the appraiser may set a higher value.

MISCELLANEOUS PROPERTY

Mobile homes not on owned land are in this category and are appraised using Marshall Valuation Services costs. Adjustments to those costs are made based on the condition of the

mobile home. The information on mobile homes is gathered by the appraiser as he/she canvasses each neighborhood in the County.

EXEMPTION DATA

The district has various exemptions that taxpayers may qualify for: a regular homestead exemption, an over 65 homestead exemption, a social security disability homestead exemption, a disabled veteran's exemption or a 100% disabled veteran's homestead exemption. A homestead exemption may include up to 20 acres of land that you actually use in the residential use of your home, but you may only apply for one homestead exemption on one property in a tax year. To qualify for a homestead exemption, you must own and reside in your home on January 1st of the tax year. For any of the above exemptions, you must submit a Texas driver's license or state-issued identification card with a corresponding address. You may file a late homestead exemption if you file it no later than two (2) years after the date the taxes become delinquent.

| Entity | Homestead | Over 65 | Disabled |
|----------------------|-----------------|-----------------|-----------------|
| Mitchell County | | 12,000 | |
| Mitchell County Road | 3,000 | 12,000 | |
| Colorado ISD | 40,000 | 10,000 (freeze) | 10,000 (freeze) |
| Loraine ISD | 40,000 | 10,000 (freeze) | 10,000 (freeze) |
| Westbrook ISD | 40,000 | 10,000 (freeze) | 10,000 (freeze) |
| City of Loraine | 10% or \$5,000* | 10% or \$5,000* | |
| City of Westbrook | 10% or \$5,000* | 10% or \$5,000* | |

*whichever is greater

| Disabled Veterans | Amount | Percentage |
|---|--------|------------|
| DV1 | 5,000 | 10-30% |
| DV2 | 7,500 | 31-50% |
| DV3 | 10,000 | 51-70% |
| DV4 | 12,000 | 71-100% |
| Over 65 – Automatic Exemption of \$12,000 | | |

The DVHS only applies to a property with a homestead exemption. To qualify for this exemption, the veteran must receive a disability rating from the United States Department of Veterans Affairs of 100% disabled due to a service-connected disability and a rating of 100% disabled or individual employability.

NOTE: as of this report there is possibility of further Homestead exemption up to \$100,000 if the voters approve in November of 2023. If the bill passes an additional \$60,000 will be added to the \$40,000 homestead exemption.

APPEALS OF VALUE

State law allows taxpayers to appeal their property values or other issues such as denial of full exemptions, denial of agricultural value designation, or other issues that impact amount of

property taxes paid. The appeals are heard by the Appraisal Review Board (ARB), a citizens group of three local people from the across the county. In 2023, 509 appeals were filed by owners or agents of properties in the County and of those, 376 properties were scheduled for hearings before the ARB. The values appealed totaled \$324,595,558 with \$305,794,016 scheduled to go before the ARB.

INTERNAL AND STATE RATIO STUDIES

The State Comptroller does a biennial ratio study. The last ratio study summary is included in this report. This report for the whole county is 2021, as the 2023 is not on comptroller website yet. Internal ratios are completed too and are apart of the auditing or quality control process of the real property contract valuation company. Mitchell County is a low populated and low density county with limited commercial or industrial sales, so the ratios of commercial/industrial properties is very limited and many times not possible.

NY

COMPTROLLER OF PUBLIC ACCOUNTS - PROPERTY TAX ASSISTANCE DIVISION

| PVS YR | NEW CAD ID | CAD SHRT NM | PROP_CATG_CD | CAD_CATG_AM | CATG_MED_QY | CATG_COEF_QY | CATG_10_PC | CATG_25_PC | CATG_PROF_QY |
|--------|------------|-------------|--------------|-------------|-------------|--------------|------------|------------|--------------|
| 2021 | 168 | Mitchell | A | 175,939,446 | 0.98 | 21.29 | 37.50 | 69.12 | 1.04 |
| 2021 | 168 | Mitchell | B | 3,219,188 | | | | | |
| 2021 | 168 | Mitchell | C1 | 5,455,138 | | | | | |
| 2021 | 168 | Mitchell | C2 | 0 | | | | | |
| 2021 | 168 | Mitchell | C2 | 5,810,190 | | | | | |
| 2021 | 168 | Mitchell | E | 85,819,309 | 1.05 | 30.11 | 29.41 | 58.82 | 1.12 |
| 2021 | 168 | Mitchell | F1 | 40,756,395 | | | | | |
| 2021 | 168 | Mitchell | F2 | 68,442,835 | | | | | |
| 2021 | 168 | Mitchell | G | 46,096,418 | | | | | |
| 2021 | 168 | Mitchell | J | 405,838,770 | 0.96 | 18.40 | 66.67 | 77.78 | 0.86 |
| 2021 | 168 | Mitchell | L1 | 10,414,819 | | | | | |
| 2021 | 168 | Mitchell | L2 | 23,345,060 | | | | | |
| 2021 | 168 | Mitchell | M | 2,589,997 | | | | | |
| 2021 | 168 | Mitchell | O | 80,620 | | | | | |
| 2021 | 168 | Mitchell | S | 0 | | | | | |
| 2021 | 168 | Mitchell | T | 873,808,185 | 1.00 | 19.42 | 50.56 | 73.03 | 1.02 |

2022 ISD SUMMARY WORKSHEET

168-Mitchell /Mitchell County

168-901/Colorado ISD

| Category | Local Tax Roll Value | 2022 WTD Mean Ratio | 2022 PTAD Value Estimate | 2022 Value Assigned |
|--------------------------------------|----------------------|---------------------|--------------------------|---------------------|
| A - SINGLE-FAMILY | 130,863,052 | N/A | 130,363,052 | 130,863,052 |
| B - MULTIFAMILY | 3,046,087 | N/A | 3,046,087 | 3,046,087 |
| C1 - VACANT LOTS | 4,126,012 | N/A | 4,126,012 | 4,126,012 |
| C2 - COLONIA LOTS | 0 | N/A | 0 | 0 |
| D1 ACRES - QUALIFIED OPEN-SPACE LAND | 20,524,936 | N/A | 20,524,936 | 20,524,936 |
| D2 - FARM & RANCH IMP | 4,839,314 | N/A | 4,839,314 | 4,839,314 |
| E - NON-AG LAND AND IMPROVEMENTS | 55,511,350 | N/A | 55,511,350 | 55,511,350 |
| F1 - COMMERCIAL REAL | 36,001,629 | N/A | 36,001,629 | 36,001,629 |
| F2 - INDUSTRIAL REAL | 1,364,033 | N/A | 1,364,033 | 1,364,033 |
| G - ALL MINERALS | 45,366,872 | N/A | 45,366,872 | 45,366,872 |
| J - ALL UTILITIES | 178,314,670 | N/A | 178,314,670 | 178,314,670 |
| L1 - COMMERCIAL PERSONAL | 10,066,162 | N/A | 10,066,162 | 10,066,162 |
| L2 - INDUSTRIAL PERSONAL | 18,422,340 | N/A | 18,422,340 | 18,422,340 |
| M1 - MOBILE HOMES | 1,840,722 | N/A | 1,840,722 | 1,840,722 |
| N - INTANGIBLE PERSONAL PROPERTY | 0 | N/A | 0 | 0 |
| O - RESIDENTIAL INVENTORY | 5,490 | N/A | 5,490 | 5,490 |
| S - SPECIAL INVENTORY | 9,032 | N/A | 9,032 | 9,032 |
| Subtotal | 510,300,601 | 0 | 510,300,601 | 510,300,601 |
| Less Total Deductions | 62,400,893 | 0 | 62,400,893 | 62,400,893 |
| Total Taxable Value | 447,899,708 | 0 | 447,899,708 | 447,899,708 |

The taxable values shown here will not match the values reported by your appraisal district

2022 ISD SUMMARY WORKSHEET

168-Mitchell /Mitchell County

168-902/Loraine ISD

| Category | Local Tax Roll Value | 2022 WTD Mean Ratio | 2022 PTAD Value Estimate | 2022 Value Assigned |
|--------------------------------------|----------------------|---------------------|--------------------------|---------------------|
| A - SINGLE FAMILY | 17,492,135 | N/A | 17,492,135 | 17,492,135 |
| B - MULTIFAMILY | 170,919 | N/A | 170,919 | 170,919 |
| C1 - VACANT LOTS | 466,448 | N/A | 466,448 | 466,448 |
| C2 - COLONIA LOTS | 0 | N/A | 0 | 0 |
| D1 ACRES - QUALIFIED OPEN-SPACE LAND | 13,051,695 | N/A | 13,051,695 | 13,051,695 |
| D2 - FARM & RANCH IMP | 1,206,348 | N/A | 1,206,348 | 1,206,348 |
| E - NON-AG LAND AND IMPROVEMENTS | 17,071,581 | N/A | 17,071,581 | 17,071,581 |
| F1 - COMMERCIAL REAL | 1,155,929 | N/A | 1,155,929 | 1,155,929 |
| F2 - INDUSTRIAL REAL | 57,552,726 | N/A | 57,552,726 | 57,552,726 |
| G - ALL MINERALS | 1,272,943 | N/A | 1,272,943 | 1,272,943 |
| J - ALL UTILITIES | 64,399,480 | N/A | 64,399,480 | 64,399,480 |
| L1 - COMMERCIAL PERSONAL | 668,926 | N/A | 668,926 | 668,926 |
| L2 - INDUSTRIAL PERSONAL | 2,801,520 | N/A | 2,801,520 | 2,801,520 |
| M1 - MOBILE HOMES | 263,292 | N/A | 263,292 | 263,292 |
| N - INTANGIBLE PERSONAL PROPERTY | 0 | N/A | 0 | 0 |
| O - RESIDENTIAL INVENTORY | 0 | N/A | 0 | 0 |
| S - SPECIAL INVENTORY | 0 | N/A | 0 | 0 |
| Subtotal | 177,573,942 | 0 | 177,573,942 | 177,573,942 |
| Less Total Deductions | 11,279,069 | 0 | 11,279,069 | 11,279,069 |
| Total Taxable Value | 166,294,873 | 0 | 166,294,873 | 166,294,873 |

The taxable values shown here will not match the values reported by your appraisal district

2022 ISD SUMMARY WORKSHEET

168-Mitchell /Mitchell County

168-903/Westbrook ISD

| Category | Local Tax Roll Value | 2022 WTD Mean Ratio | 2022 PTAD Value Estimate | 2022 Value Assigned |
|--------------------------------------|----------------------|---------------------|--------------------------|---------------------|
| A - SINGLE-FAMILY | 41,746,317 | N/A | 41,746,317 | 41,746,317 |
| B - MULTIFAMILY | 0 | N/A | 0 | 0 |
| C1 - VACANT LOTS | 966,122 | N/A | 966,122 | 966,122 |
| C2 - COLONIA LOTS | 0 | N/A | 0 | 0 |
| D1 ACRES - QUALIFIED OPEN-SPACE LAND | 11,535,790 | N/A | 11,535,790 | 11,535,790 |
| D2 - FARM & RANCH IMP | 1,768,127 | N/A | 1,768,127 | 1,768,127 |
| E - NON-AG LAND AND IMPROVEMENTS | 27,049,054 | N/A | 27,049,054 | 27,049,054 |
| F1 - COMMERCIAL REAL | 3,012,474 | N/A | 3,012,474 | 3,012,474 |
| F2 - INDUSTRIAL REAL | 553,743 | N/A | 553,743 | 553,743 |
| G - ALL MINERALS | 147,839,768 | N/A | 147,839,768 | 147,839,768 |
| J - ALL UTILITIES | 143,999,240 | N/A | 143,999,240 | 143,999,240 |
| L1 - COMMERCIAL PERSONAL | 1,157,872 | N/A | 1,157,872 | 1,157,872 |
| L2 - INDUSTRIAL PERSONAL | 6,030,850 | N/A | 6,030,850 | 6,030,850 |
| M1 - MOBILE HOMES | 693,537 | N/A | 693,537 | 693,537 |
| N - INTANGIBLE PERSONAL PROPERTY | 0 | N/A | 0 | 0 |
| O - RESIDENTIAL INVENTORY | 0 | N/A | 0 | 0 |
| S - SPECIAL INVENTORY | 0 | N/A | 0 | 0 |
| Subtotal | 396,352,904 | 0 | 396,352,904 | 396,352,904 |
| Less Total Deductions | 13,975,564 | 0 | 13,975,564 | 13,975,564 |
| Total Taxable Value | 372,377,340 | 0 | 372,377,340 | 372,377,340 |

The taxable values shown here will not match the values reported by your appraisal district

2023 Ratio Study Conclusions:

Sorted by Schools

| Neighborhood/Schools | # of Sales | Ratio |
|----------------------|------------|---------|
| Colorado City ISD | 69 | 93.97% |
| Loraine | 2 | 88.52% |
| Westbrook | 21 | 118.57% |

Class/Type of those that had sales

| | | |
|---------|----|---------|
| RS1F | 6 | 111.00% |
| RS2F | 36 | 99.17% |
| RS2F1.5 | 1 | 126.00% |
| RS2M | 11 | 110.00% |
| RS2M1.5 | 1 | 94.00% |
| RS3F | 16 | 87.00% |
| RS3F1.5 | 1 | 105.00% |
| RS3F2 | 1 | 100.00% |
| RS3M | 13 | 105.00% |
| RS4F1 | 2 | 90.00% |
| RS4F2 | 1 | 159.00% |
| RS4M | 4 | 93.00% |
| RS5M | 1 | 96.75% |
| RS6F | 1 | 57.00% |

* Sales were reviewed for accuracy and after changes some sales were changed, removed and add after MLS sales provided.

Note there was studies ran on Manufactured Homes, Barndos, and other that some sales that are in a ratio study that are not conclude here

After final sales added the decision was made for the following.

MH/DW DW-MH2 increased 1% local modifier with MH3-4 increased 5%

RS1's NO Change as adequate number showed good ratios.

RS2's NO Change as adequate number showed good ratios.

RS2M's NO Change as adequate number showed good ratios.

RS3's 10% increase to local Modifier was made

RS4's 5% increase to local Modifier was made

RS5's 5% increase to local Modifier was made

RS6's 5% increase to local Modifier was made but the Economics Modifier decreased 10%

Since Western Valuation has their on schedules had to modify through Economic and local Modifiers

2023 Misc Information

2023 Notice of Estimated Taxes

A new law was implemented in 2021 requiring the districts to mail out post cards to taxpayers to inform them of estimated taxes for year after certification prior to tax rates being set. A website was created for the information located at <https://mitchell.truthintaxation.com>

Post cards had the following information(only example as the tax collector may vary):

NOTICE OF ESTIMATED TAXES

The estimated amount of taxes to be imposed and information on actions taken or proposed actions by each local taxing unit concerning the 2021 property taxes on your property can be found online at:

mitchell.truthintaxation.com

You may request the same information from the assessor of each taxing unit for your property, by requesting their contact information from your county's assessor at:

County tax assessor: Sylvia Clanton
Contact information: Truth In Taxation
Address: 438 E 2nd St
Colorado City, TX 79512
Phone number: (325) 728-2606

**THE COUNTY TAX ASSESSOR DOES NOT DETERMINE PROPERTY
VALUES OR TAX RATES.**

Mitchell County Appraisal Website can be accessed by the following link:

<http://www.mitchellcad.org/>

Additional information about the district may be found on the website.