

# BORDEN COUNTY APPRAISAL DISTRICT LOCAL ANNUAL REPORT 2023

## General Information

The Borden County Appraisal District is a political subdivision of the State of Texas. The provisions of the Texas Property Tax code govern the legal, statutory, and administrative requirements of the appraisal district.

The mission statement of the district is “to serve the citizens and taxing units of Borden County by providing lawful, equitable and accurate appraisals of all property in Borden County and by responding to the concerns and questions of those citizens and taxing units in a professional and courteous manner.

The provisions of the Texas Property Tax Code govern the legal, statutory and administrative requirements of the appraisal district. Annual reporting is in accordance with the comptroller, state law and USPAP. All existing manuals were updated in accordance with comptroller standards. New policies and procedures were implemented as deemed necessary to comply with law or to improve district operations and customer service.

The Board of Directors consists of twelve voting members. The members of the Borden ISD School Board hold seven positions and the Borden County Commissioners appoint five members. The chief appraiser is appointed by the Board of Directors and is the chief administrator of the appraisal district. The chief appraiser must be licensed as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulations (TDLR).

The appraisal district has a three-member agricultural advisory board. The chief appraiser appoints the members with the advice and consent of the board of directors. The agricultural advisory board advises the chief appraiser on the typical standards and practices for agricultural activities in the county.

## 2023 Appraisal Data

Borden County is a rural, sparsely populated area. Oil and gas properties make up a majority of the taxable properties in the county. The identity of new construction is performed by field appraisers driving the county, property owner information and information from the clerk’s office.

The Appraisal District is responsible for local property tax appraisal and exemption administration. The local taxing units set a tax rate from your property tax appraisal issued by the Appraisal District. The Borden CAD serves the following taxing units:

| <b><u>Entity</u></b> | <b><u>Market Value</u></b> | <b><u>Taxable Value</u></b> |
|----------------------|----------------------------|-----------------------------|
| Borden County        | \$1,367,390,332            | \$763,917,392               |
| Borden County ISD    | \$1,540,283,626            | \$830,059,965               |
| Sands CISD           | \$14,411,1000              | \$14,282,900                |

The district maintains approximately 27,541 parcels with property types of residential, commercial, business, utilities, and pipelines. Borden County ISD overlaps into Howard County to the south, and a small part of Sands CISD comes within our county boundaries. The district’s boundaries are the same as those of Borden County.

## 2023 Market Value by Property Type

| <u>Type</u> | <u>Description</u>  | <u>Parcel Count</u> | <u>Market Value</u> |
|-------------|---|---------------------|---------------------|
| A           | Single Family Residential   | 189                 | \$1,949,830         |
| C           | Vacant Lots   | 521                 | \$472,312           |
| D1          | Qualified Open Space Land   | 2,092               | \$19,889,940        |
| D2          | Farm & Ranch Imp on Open Space Land   | 176                 | \$3,009,900         |
| E           | Rural Land, Not Qualified Open Space Appraisal,<br>& Residential Improvements | 296                 | \$6,336,250         |
| F1          | Commercial Real Property  | 29                  | \$260,310           |
| F2          | Industrial Real Property  | 17                  | \$627,084,210       |
| G           | Oil & Gas   | 20,356              | \$505,980,410       |
| J           | Utilities   | 364                 | \$152,251,180       |
| L1          | Business Personal Property  | 14                  | \$1,462,980         |
| L2          | Industrial Personal Property  | 151                 | \$26,492,270        |
| M           | Mobile Homes  | 6                   | \$168,930           |
| X           | Exempt Property   | 3,330               | \$8,580,700         |

## 2023 Exemption Data

| <u>Exemption Type</u>         | <u>Borden County</u> | <u>Borden ISD</u> |
|-------------------------------|----------------------|-------------------|
| Homestead                     | 20% - \$5,000 min    | \$100,000         |
| Over 65                       | \$3,000              | \$10,000          |
| Local Optional Discount       |                      | N/A               |
| Local Opt Over 65 or Disabled |                      |                   |

| <u>Disabled Veterans Exemptions</u> | <u>Amount</u>   | <u>Percentage</u> |
|-------------------------------------|-----------------|-------------------|
| DVHS (Homestead)                    | Total Exemption | 100%              |
| DV1                                 | \$5,000         | 10 – 29%          |
| DV2                                 | \$7,500         | 30 – 49%          |
| DV3                                 | \$10,000        | 50 – 69%          |
| DV4                                 | \$12,000        | 70 – 100%         |

In 2023 the types of exemptions, number of exemptions and total dollar amounts of exemptions granted by the local taxing entities were as follows:

| <u>Taxing Jurisdiction</u> | <u>Exemption</u>  | <u>Amount</u> | <u># Granted</u> |
|----------------------------|-------------------|---------------|------------------|
| Borden County              | Local O65         | \$983,100     | 141              |
|                            | Optional 65       | \$179,570     | 63               |
| Borden ISD                 | Local HS          | \$99,230      | 6                |
|                            | Mandated HS       | \$3,926,600   | 138              |
|                            | Mandated O65      | \$20,000      | 3                |
|                            | Mandated Disabled | \$18,480      | 2                |

## 2023 Tax Rates

| <u>Taxing Jurisdiction</u> | <u>M&amp;O</u> | <u>I&amp;S</u> | <u>Total</u> |
|----------------------------|----------------|----------------|--------------|
| Borden County              | .5000          | .0085          | .5085        |
| Borden ISD                 | .7034          | .1566          | .8600        |

Borden CAD has an average Collection Rate of 99%. We work with our taxpayers to minimize the collections for the entities. We offer a partial payment plan on delinquent taxes. Taxpayers can now go to our website [www.bordencad.org](http://www.bordencad.org) and make payments there as well.

## 2021 Internal Ratio Study Analysis

The results of the 2022 internal ratio study are reflected in the recommendations of the appraiser.

Category A – Due to lack of arm’s length market transaction, there was not enough information to recommend any increase or decrease to cost schedules. Sales will continue to be monitored and adjustments will be made when a representative sample of market sales is available.

Category C – Due to lack of arm’s length market transaction, there was not enough information to recommend any increase or decrease to cost schedules. Sales will continue to be monitored and adjustments will be made when a representative sample of market sales is available.

Category D – Due to lack of arm’s length market transaction, there was not enough information to recommend any increase or decrease to cost schedules. Sales will continue to be monitored and adjustments will be made when a representative sample of market sales is available.

Category F – Due to lack of arm’s length market transaction, there was not enough information to recommend any increase or decrease to cost schedules. Sales will continue to be monitored and adjustments will be made when a representative sample of market sales is available.

## 2021 PVS Study

The Borden ISD was assigned local appraised value, an indication that the Borden CAD is generally appraising property at current market value.

## Biennial Property Value Study or Methods and Assistance Program

Property Tax Assistance Division of the Comptroller’s Office (PTAD) alternates between a Property Value Study (PVS) and a Methods and Assistance Program (MAP) review for each CAD. Borden CAD has its PVS in odd numbered years and its MAP reviews in even numbered years.

The PVS is conducted to determine the degree of uniformity of appraisals and the median level of appraisals by the appraisal district and to determine the taxable value of property for school funding purposes.

The MAP reviews the governance of the appraisal district, taxpayer assistance provided and the operating and appraisal standards, procedures and methodology used to determine compliance and generally accepted standards procedures and methodology.

## 2022 MAP Review

The district had its biennial MAP review in 2022. The MAP reviews the governance of the appraisal district, taxpayer assistance provided and the operating and appraisal standards, procedures and methodology used to determine compliance and generally accepted standards procedures and methodology. The comptroller's office submits recommendations that will allow the district to comply with laws, rules, regulations, appraisal practices or operating best practices. Recommendations must be implemented within one year. There are four mandatory pass/fail questions and four major areas of importance. In the comptroller's final report the district had no recommendations that needed to be completed. The district's scoring was as follows:

### Mandatory Requirements (pass/fail)

- |   |      |
|---|------|
| 1. Does the appraisal district have up-to-date appraisal maps?  | Pass |
| 2. Is the implementation of the appraisal district's most recent reappraisal plan current?  | Pass |
| 3. Are the appraisal district's records up-to-date and is the appraisal district following established procedures and practices in the valuation of property? | Pass |
| 4. Are values reproducible using the appraisal districts written procedures and appraisal records?  | Pass |

### Appraisal District Activities

- |   |           |     |
|---|-----------|-----|
| • Governance                                    | Meets All | 100 |
| • Taxpayer Assistance                           | Meets All | 100 |
| • Operating Procedures                          | Meets All | 100 |
| • Appraisal Standards, Procedures & Methodology | Meets All | 100 |

## 2023 Protest Data

The ARB is a quasi-judicial body appointed by the District Judge of Borden County. The ARB is empowered to equalize values of all properties in the appraisal district in relation to fair market value and to hear taxpayers' appeals through hearings for those that dispute their value or other issues affecting the taxpayer. The ARB is in charge with the function of providing an impartial review of the appraisal records prepared by the appraisal district. The ARB does not work for the appraisal district but rather, they arbitrate between the taxpayer and the appraisal district to settle any disputes that they are lawfully allowed to address.

- |                        |     |
|------------------------|-----|
| Protest Filed          | 508 |
| • Resolved in informal | 485 |
| • Failed to Appear     | 23  |

## 2021 Legislative Changes

The Texas Legislature meets on odd-numbered years. Customarily, the Property Tax Assistance Division of the Texas Comptroller of Public Accounts publishes a booklet explaining the Texas Property Tax Law changes for the legislative session. You may come by the appraisal office for a copy or print a copy from the comptroller's website at <https://comptroller.texas.gov/taxes/property-tax/legal-resource.php>

# Texas Property Tax Calendar

## Appraisal Phase

**January 1 – May 15**

- Lien attaches to property January 1 – lien extinguished when taxes are paid to collectors
- Appraisal District records property ownership and determines property value as of January 1
- Appraisal District adds new records, removed old records and identifies property situs
- Appraisal Districts review, approve or deny exemptions and special land use appraisals
- Taxpayers submit renditions (required for Business personal property)
- Chief Appraiser sends Notices of Appraised value to taxpayers

## Equalization Phase

**May 15 – July 20**

- Chief Appraiser presents records to the Appraisal Review Board (ARB)
- ARB reviews records prepared by the appraisal district
- ARB hears taxing unit challenges and taxpayer protests
- ARB present changes based on hearings to the chief appraiser and notifies the property owners by written order
- ARB approves appraisal records by July 25
- Most changes to appraisal roll after certification must be reviewed by the ARB

## Assessment Phase

**July 25 – October 1**

- Assessor receives certified appraisal roll from chief appraiser and presents it to the taxing units governing body for review with budget preparation.
- Assessor calculated the no new revenue rate and the voter approval tax rates.
- Taxing units publish the calculated rates and other financial information for the taxpayer's review.
- Taxing units governing bodies hold public hearings, adopt tax rates and finalize budgets.
- Assessors calculated a bill for each taxpayer and mail by October 1 or as soon as practicable.

## Collection Phase

**October 1 – Collected**

- Taxes are due when bill is received and delinquent if not paid by February 1
- Collectors send supplemental bill based on updates and changes from the appraisal district and the ARB
- Tax bill mailed after January 10; delinquency date is the first day of the next month that provides at least 21 days after the date of mailing for payment of taxes
- Collectors send out delinquent bills and take legal action to secure payment of overdue taxes, penalties and interest