

# 2021 Upshur CAD Annual Report

## Introduction

The Upshur County Appraisal District (UCAD) is a political subdivision of the state formed by the Texas Legislature in 1979. The operation of the Appraisal District is governed by the Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division.

## Mission

The mission of Upshur County Appraisal District is to discover, list and appraise property as accurately, ethically, and impartially as possible in order to estimate the market value of all property within the boundaries of the district for ad valorem tax purposes. The effective date for appraisal of real property is January 1<sup>st</sup>. A Personal property owner can elect to have their business personal property appraised as of September 1<sup>st</sup>. The district must make sure that each taxpayer is given the same consideration, information, and assistance as the next. This will be done by 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).

## Administration Report

The financial records of Upshur CAD reflect a focus on producing highest quality services and records while also maintaining a conservative budget. The District is always mindful of the dollars spent on creating and maintaining the appraisal roll. The District's annual finances can be reviewed and monitored in two different publications – the adopted budget and the audited financial statements. The first publication shows what is planned and the second shows what happened. The financial statement audit report and a budget history are made available on the District's website at [www.upshur-cad.org](http://www.upshur-cad.org).

In addition, quarterly, the agenda packet for the board of directors meetings includes monthly financial reports and quarterly investment reports.

The board of directors considers and adopts an annual budget before September 15<sup>th</sup> of each year. The budget may not be adopted until written notice is given to the taxing entities and the board has conducted a public hearing on the proposed budget.

The chief appraiser prepares the budget and presents it to the board, taxing entities and other interested parties as a preliminary budget at a budget workshop. Additional budget workshops can be held until the proposed budget is ready for delivery to the taxing entities and the board of directors, not later than June 15. The proposed budget requires the District administration to review the goals, objectives, and programs to be accomplished. This review aids in determining forecasted operating and maintenance expenditures by category. It includes personnel breakdown with staffing levels and salary ranges.

## Financial Statements

Each quarter the board of directors reviews and approves monthly financial reports and investment reports as required by the Public Funds Investment Act (PFIA). As required, the financial statements are audited annually by a firm of independent certified public accountants (CPA) in accordance with generally accepted auditing standards. The Board receives the financial audit from the firm in an open meeting. The auditor presents the findings and provides recommendations in relation to the financial operations.

The District had to replace the server and create and begin upkeep on a state mandated Truth in Taxation website.

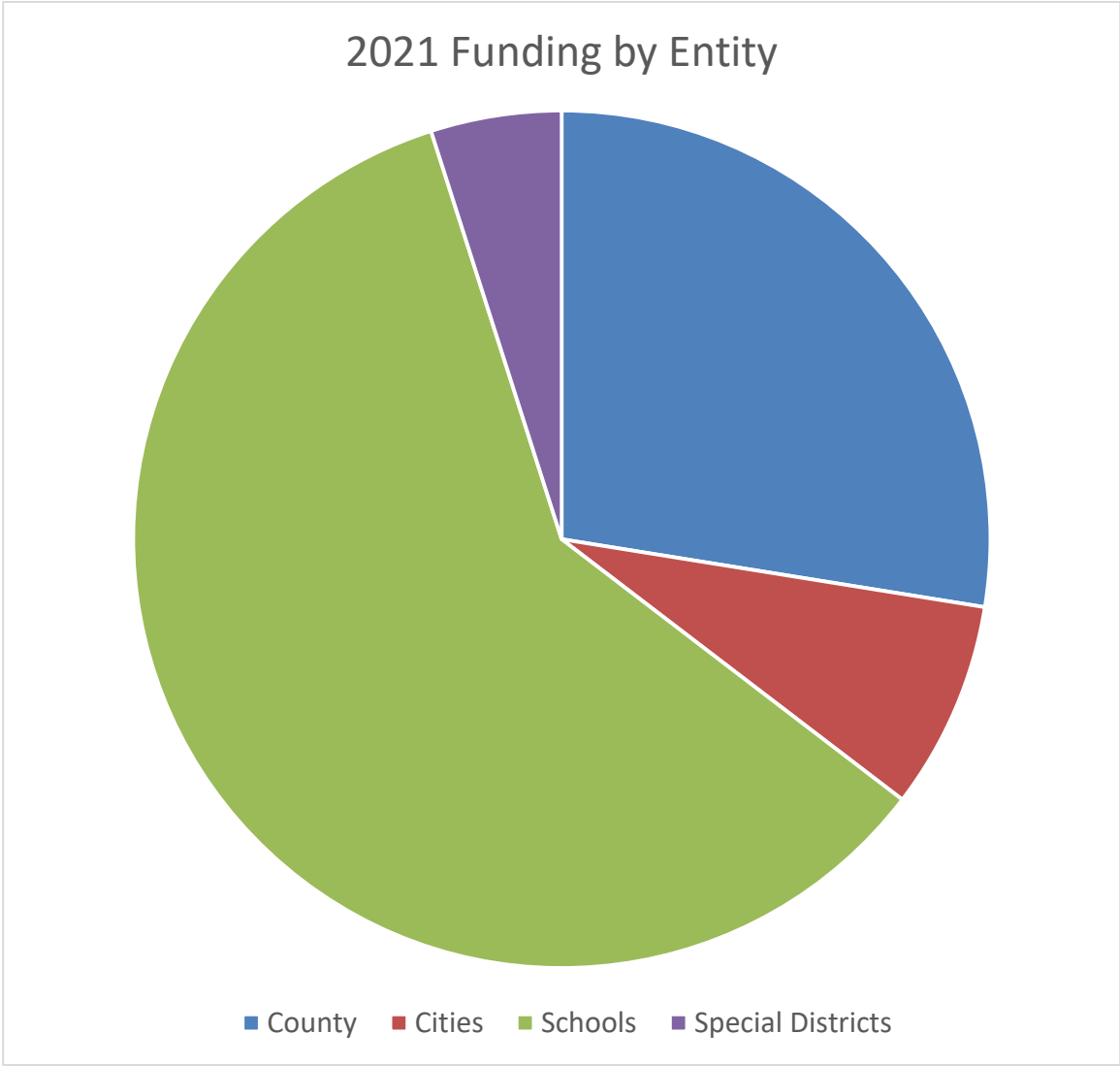
### Budget Analysis

	<b>Fiscal Year</b>		
	2019	2020	2021
Adopted Budget	\$888,720	\$894,910	\$924,606
Increase (Decrease)	\$36,404	\$6,190	\$29,696
% Increase (Decrease)	4.3%	.7%	3.3%
Payroll Increase (Decrease)	3.1%	-.1%	1.5%
Budgeted Personnel	11	11	11
Entity Refunds	9.24%	.52%	

### Expenditures:

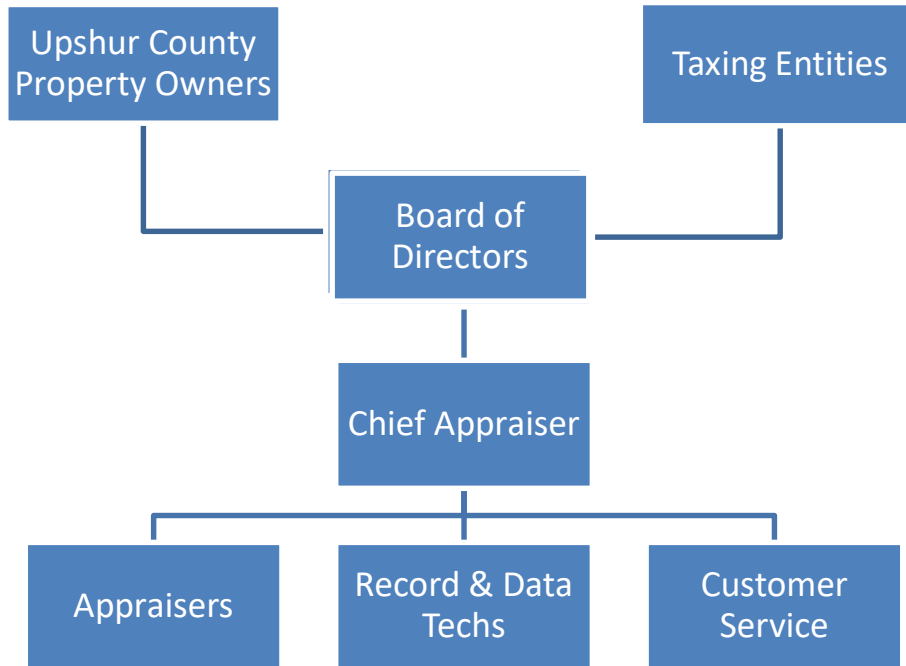
<b>Personnel</b>	\$538,438	\$545,567	\$561,026
<b>Operations:</b>			
Contractual Services	\$184,200	\$190,259	\$202,005
Materials and Supplies	\$14,700	\$11,400	\$10,900
Operating Expenses	\$127,335	\$123,314	\$141,020
Capital Expenditures	\$15,400	\$15,665	\$0
Reserves	\$8,647	\$8,70	\$9155

Entity Funding of District	2019	2020	2021
County	\$247,901	\$255,507	\$265,641
Cities	\$74,831	\$74,340	\$75,849
Schools	\$533,866	\$559,034	\$575,878
Special Districts	\$32,122	\$32,359	\$47,655



## Organizational Structure

### Upshur County Appraisal District – Organizational Chart



### Board of Directors

**Jay Miller, Chair**

**Luana Howell, Secretary**

**David Fontenot, Board Member**

**Richard Gage, Board Member**

**Mike Spencer, Board Member**

**John Ussery, Board Member**

## **Governance**

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

- Establish the district's office,
- Adopt its operating budget,
- Contract for necessary services,
- Hire the Chief Appraiser,
- Provide advice and consent to the Chief Appraiser concerning the appointment of an Agricultural Advisory Board,
- Make general policies on the appraisal district's operations, and
- Biennially develop a written plan for the periodic reappraisal of all property within the district's boundaries.

To be eligible to serve on the board of directors, a person must have resided within the boundaries of the county for at least two years prior to their appointment. Their terms are not staggered. There are no legal limits to the number of terms a board member can serve in a county with a population of 120,000 or less. 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 (or actively working toward licensing) as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulation.

Members of the Appraisal Review Board are appointed by the local administrative law judge. ARB members serve staggered terms of two years, with no legal limits on the number of terms they can serve. Their responsibility is to settle value disputes. Their decisions regarding value are binding to the chief appraiser for the tax years protested.

The Ag Advisory Board is appointed by the Board of Directors at the recommendation of the chief appraiser to aid them in determining typical practices, standards, lease rates and expenses for agricultural activities in the district. They serve at the will of the Board of Directors.

## Taxing Jurisdictions

The Upshur County Appraisal District is responsible for appraising 64,755 properties located within the 593 square miles of Upshur County. The following are the taxing jurisdictions within the district:

Upshur County  
City of Gilmer  
City of Ore City\*\*  
City of Gladewater\*\*  
City of Big Sandy  
City of East Mountain\*\*  
City of Clarksville City\*\*  
City of Warren City\*\*  
Big Sandy ISD\*\*  
Gilmer ISD\*\*  
Ore City ISD\*\*  
Union Hill ISD\*\*  
Harmony ISD\*\*  
New Diana ISD\*\*  
Pittsburg ISD\*\*  
Union Grove ISD  
Gladewater ISD\*\*  
Kilgore Junior College\*\*  
Emergency Services District #1  
Emergency Services District #2

\*\* These entities overlap into adjoining counties BUT only the portion in Upshur County is appraised by Upshur County Appraisal District.

## Property Types Appraised

UCAD staff is responsible for appraising 37,232 residential, commercial, land and business personal property accounts. UCAD contracts with Capitol Appraisal Group, Inc. to appraise 22,785 accounts which includes oil and gas properties, utilities, pipelines, and industrial personal property in the district.

The following is the summary of property types and their certified values:

Code	Property Type	Parcel Count	New Market Value	Market Value
A	Single Family Residences	11,140	23,901,110	1,084,915,215
B	Multi Family Residences	156	2,189,250	32,865,681
C	Vacant Lot	2,345	0	20,551,341
D1	Qualified Open Space Land	8,466	0	720,561,992
D2	Imps on Qualified Open Space Land	1,684	4,279,720	44,001,664
E	Non-Qualified Land	10,302	19,704,840	824,082,867
F1	Commercial Real Property	1,000	2,846,850	147,718,920
F2	Industrial Real Property	96	1,070,630	25,609,711
G1	Oil & Gas	21,882	0	75,734,100
J1	Water Systems	10	0	330,860
J2	Gas Distribution System	23	0	1,923,680
J3	Electric Company	64	0	61,549,490
J4	Telephone Company	83	520	13,848,460
J5	Railroad	22	0	34,347,320
J6	Pipeline Company	300	0	31,919,800
J7	Cable Television Company	5	0	970,890
J8	Other type of Utility	1	0	9,330
J9	Railroad Rolling Stock	1	0	6,242,060
L1	Commercial Personal Property	1,305	0	52,073,920
L2	Industrial Personal Property	299	0	83,444,430
M1	Tangible Personal Mobile Home	1,425	2,995,230	32,540,528
O	Residential Inventory	77	0	773,910
S	Special Inventory	30	0	898,360
X	Total Exempt Property	5,636	1,780,030	375,815,875
<b>Totals</b>			<b>58,768,180</b>	<b>3,672,730,404</b>

### 2021 Ag/Timber Acreage and Valuation Amounts

Land Type Description	Total Acres	Market Value	Ag Value
Dryland Crop	27.454	66,990	3,290
Improved Pasture	97,135.7424	239,475,211	1,162,848
Native Pasture	52,801.5296	132,004,485	4,548,180
Timber	135,285.357	335,140,400	27,026,664
Orchards	58.3380	273,350	8,720
Wildlife	5353.4520	13,601.558	719,540
<b>Totals</b>	<b>290,661.873</b>	<b>706,974,038</b>	<b>33,469,242</b>

### Property Discovery

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

- City building permits
- Field inspections
- Filed Material/Mechanic's Liens
- Deed records
- Sewer permits
- Mobile home reports
- Electric permits
- Newspapers
- Legal notices
- Sales information
- Prior year records
- Aerial photography
- Railroad Commission Reports (oil/gas)
- Renditions
- Assumed Names
- Vehicle registrations
- Realtors and Appraisers

### Exemption Data

Property owners may qualify for a variety of exemptions as provided by the Texas Constitution. Some of the most commonly occurring exemptions are described below. Other less commonly occurring exemptions are available and described in the Texas Property Tax Code, Chapter 11.



The following chart represents the total exemption amounts available to homeowners who qualify for this exemption on a home site with a maximum of 20 acres:

		HS	O65 & SS	DP & SS	DV1 10-29%	DV2 30-49%	DV3 50-69%	DV4 70-100%	FREEZE
Upshur County	230	20%	10,000	3,000	5,000	7,500	10,000	12,000	Y
Big Sandy ISD	S01	25,000	13,000	10,000	5,000	7,500	10,000	12,000	Y
Gilmer ISD	S02	25,000	17,500	10,000	5,000	7,500	10,000	12,000	Y
Ore City ISD	S03	25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
Union Hill ISD	S04	25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
Harmony ISD	S05	25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
New Diana ISD	S06	25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
Pittsburg ISD	S07	25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
Union Grove ISD	S08	25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
Gladewater ISD	S09	20% + 25,000	10,000	10,000	5,000	7,500	10,000	12,000	Y
City of Gilmer	C11	0	5,460	0	5,000	7,500	10,000	12,000	
City of Ore City	C20	0	5,000	0	5,000	7,500	10,000	12,000	
City of Gladewater	C36	0	6,000	0	5,000	7,500	10,000	12,000	
City of Big Sandy	C39	0	3,000	0	5,000	7,500	10,000	12,000	
City of East Mountain	C48	0	3,000	3,000	5,000	7,500	10,000	12,000	Y
City of Clarksville City	CCV	20%	0	0	5,000	7,500	10,000	12,000	
City of Warren City	CWC	20%	6,000	0	5,000	7,500	10,000	12,000	
ESD #1	FD1	0	10,000	3,000	5,000	7,500	10,000	12,000	
ESD #2	FD2	0	0	0	5,000	7,500	10,000	12,000	
Kilgore College	KJC	0	30,000	0	5,000	7,500	10,000	12,000	

For school tax purposes, the over 65, disability, and surviving spouse homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead. (Any changes to or new areas added to the home site will cause the ceiling to be readjusted in the subsequent tax year.)

All homeowners who qualify for the residential homestead exemption are subject to the placement of homestead cap on their qualifying property which prohibits 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, 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 exemption amounts, based upon these ratings, are:

Disability Percentage	Exemption Amount
10-29%	\$5,000
30-49%	\$7,500
50-69%	\$10,000
70-100%	\$12,000

## Legislative Changes

During the 2021 Texas Legislative Session, several bills were passed that affect appraisal districts, property owners, and the general public. The Texas Property Tax Law Changes 2021, published by the Texas Comptroller of Public Accounts is attached.

## Property Appeals

In accordance with the Texas Property Tax Code, Section 41.44, a property owner and/or authorized tax agent may file an appeal with the Appraisal Review Board (ARB) having authority to hear the matter protested. The District schedules these appeals for protest hearings and notifies the protesting party of their scheduled hearing before the ARB.

The ARB members do not work for appraisal districts but rather, arbitrate exemptions and appraisal disputes between property owners and Upshur CAD. The ARB is a quasi-judicial body appointed by the board of directors.

After the hearing process, the ARB approves and submits the appraisal records to the Chief Appraiser who then certifies appraisal roll values to the taxing entities.

## Appeals Data 2021

### Types of Property Protested:

Single Family Residence	176
Multi-Family Residence	6
Vacant Lot	22
Qualified Productivity and Improvements	32
Non-Qualified Land and Improvements	44
Commercial/Industrial	56
Minerals	228
Utilities	299
Personal Property	74
Mobile Homes	23

**Total** **961**

**Hearings:** **158**

Value Change	30
No Value Change	128
Did Not Show Up for Hearing	74
Settled with Appraiser Informally	632
Withdrawn	97

**Notices of Appraised Value are mailed if:**

- Property was reappraised that year
- Value increased more than \$1,000 from prior year
- Property was new
- Ownership of property changed

**I, certify that, to the best of my knowledge and belief:**

The statements of fact contained in this report are true and correct.

A handwritten signature in black ink that reads "Amanda Thibodeaux". The signature is written in a cursive style with a large initial 'A' and a decorative flourish at the end.

Amanda Thibodeaux RPA, CCA  
Chief Appraiser  
Upshur County Appraisal District