

# CALDWELL COUNTY APPRAISAL DISTRICT



## 2023 Mass Appraisal Report

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### INTRODUCTION

#### Scope of Responsibility

The Caldwell County Appraisal District has prepared and published this report to provide our citizens and taxpayers with a better understanding of the district's responsibilities and activities. This mass appraisal report was written in compliance with standards Rule 6-7 of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of The Appraisal Foundation. This report has several parts: a general introduction and then several sections describing information specific to particular appraisal divisions.

The 2023 mass appraisal was prepared under the provisions of the Texas Property Tax Code. Taxing jurisdictions that participate in the district must use the appraisal as the basis for imposition of property taxes. The State of Texas allocates state funds to school districts based upon the district's appraisals, as tested and modified by the state comptroller of public accounts.

The 2023 mass appraisal results in an estimate of the market value of each taxable property within the district's boundaries. Where required by law, the district also estimates value on several bases other than market value. These are described where applicable later in this report.

## **General Assumptions and Limiting Conditions**

The Appraised value estimates provided by the district are subject to the following conditions:

The Appraisals were prepared exclusively for ad valorem tax purposes.

The property characteristic data upon which the appraisals were performed as staff resources and time allowed.

Validation of sales transactions occurred through questionnaires to buyer and seller, telephone survey, TransUnion, and field review.

- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to any property is assumed to be good and marketable, unless otherwise stated.
- All property is appraised as if free and clear of any or all liens or encumbrances, unless otherwise stated. All taxes are assumed to be current.
- All property is appraised as though under responsible, adequately capitalized ownership and competent property management.
- All engineering is assumed to be correct. Any plot plans and/or illustrative material contained with the appraisal records are included only to assist in visualizing the property.
- It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in this mass appraisal report
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless a nonconformity has been stated, defined and considered in this mass appraisal report
- It is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- It is assumed that the utilization of the land and improvements of the properties described are within the boundaries or property lines, and that there are no encroachments or trespasses unless noted on the appraisal record.

Unless otherwise stated in this report, the appraiser is not aware of the existence of hazardous substances or other environmental conditions. The value estimates are predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

## **Effective Date of Appraisal and Date of the Report**

With the exception of certain inventories for which the property owner has elected a valuation date of September 1, 2022, all appraisals are as of January 1, 2023. The date of this report is May 15, 2023.

## **Definition of Value**

Except as otherwise provided by the Texas Tax Code (hereafter “Tax Code”), all taxable property is appraised at its “market value” as of January 1. Under the tax code, “market value” means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- Exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- Both the seller and buyer know of all the uses and purposes to which the property is use, and;
- Both the seller and buyer seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The Tax Code defines special appraisal provisions for the valuation of several different categories of property. Specially appraised property is taxed on a basis other than market value as defined above. These categories include residential homestead property (Sec. 23.23, Tax Code), agricultural and timber property (Chapter 23, Subchapters C and D, Tax Code), real and personal property inventory (Sec. 23.12, Tax Code), certain types of dealer inventory (Sec. 23.121, 23.124, 23.1241 and 23.127), and nominal (Sec. 23.18) or restricted use properties (Sec.23.83).

## **Properties Appraised**

The mass appraisal appraised all taxable real and personal property known to the district as of the date of this report, with the exception of certain properties on which valuation was not complete as of the date of this report. These, will be appraised and supplemented to the jurisdictions after equalization. The property rights appraised were fee simple interests, with the exception of leasehold interests in property exempt to the holder of the property’s title. The latter are appraised under a statutory formula described in sec. 25.07, Tax Code. The description and identification of each property appraised id included in appraisal records submitted to the Caldwell County Appraisal Review Board as of the date of this report.

## **Scope of Work used to Develop the Appraisal**

This mass appraisal appraised all taxable real and tangible personal property within the boundaries of the Caldwell County Appraisal District, which encompasses all of Caldwell County, Texas. This involves approximately 46,608 accounts of which 23,405 are real estate. The following sections describe, by area of responsibility, the scope of work performed and those items addressed in USPAP standard 6-7 (k) through (p).

The Chief Appraiser, who is the chief executive officer of the appraisal district, manages the district. All district employees report to the chief appraiser through their immediate supervisor. The appraisal district staff consists of 17 employees.

While the appraisal district staff conducted most of the appraisal activities, the district received significant assistance from an appraisal contract firm and from the staffs of those appraisal districts whose boundaries overlap ours. The district established procedures whereby ownership and property data information are routinely exchanged. A staff member is assigned to oversee the ongoing exchange of data. Caldwell County Appraisal District staff and staff from adjacent 5 appraisal districts discuss data collection and valuation issues to minimize the possibility of differences in property characteristics, legal descriptions, and other administrative data.

## **Determination of Highest and Best Use for Real Property**

The district's market value appraisals are performed pursuant to Article VIII, Sec. 1., Texas Constitution which provides that property must be taxed in proportion to its value as determined by law, Sec. 23.01, Tax Code implements this provision as follows:

### **Sec. 23.01 Appraisals Generally**

- (a) Except as otherwise provided by this chapter, all taxable property is appraised at its market value as of January 1.
- (b) The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the appraisal district determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice. The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. However, each property shall be appraised based upon the individual characteristics that affect the property's market value.

While there is no specific statute defining highest and best use as it applies in appraisals conducted under the Property Tax Code, Texas courts have acknowledged that highest and best use is a factor that must be considered in determining market value. *King v. Real* 466 S. W.2d 1 TEX.Civ.App., 1971, *Exxon Pipeline Co. v. Zwahr* 2002 WL 1027003 Tex.,2002. In an unpublished opinion, the Houston Court of Appeals approved the following definition of highest and best use:

“Highest and best use” is the reasonably probable and legal use of a vacant land or and improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. Clear Creak Drainage Dist. Of Galveston County v. Manison Not Reported in W.W.3d Tex.App.-Houston {14 Dist.},1997

### **Appraisal Performance tests and performance measures attained**

The Texas Comptroller of Public Accounts conducts an annual study to determine the degree of uniformity of and the median level of appraisals by the appraisal district within each major category of property, as required by Section 5.10, Property Tax Code. The preliminary findings, based on the district’s 2022 Appraisal Roll, were reported to the district on January 31, 2023. These findings are made available on the Comptroller of Public Accounts website.

The Comptroller of Public Accounts certifies a school district’s local tax roll value to the Commissioner of Education if it is within the calculated statistical error margin. A margin of error of 5% is used for each school district. The 2022 published findings of the ratio study reported that three school districts received their local tax roll values. One school district received State value.

In accordance with Section 5.102, Property Tax Code, the comptroller’s Property Tax Division conducted a 2022 MAPS review of the district’s appraisal standards, procedures, and methodology to determine compliance with generally accepted appraisal standards and practices. The results of the review reported that the district’s methods, standards, and procedures are consistent with generally accepted appraisal methods.

### **Certification Statement:**

“I, Shanna Ramzinski, Chief Appraiser for the Caldwell County Appraisal District, solemnly swear that I have made or caused to be made a diligent inquiry to ascertain all property in the district subject to appraisal by me, and that I have included in the records all property that I am aware of at an appraised value which, to the best of my knowledge and belief, was determined as required by law.”

Shanna Ramzinski

Chief Appraiser