

# CCAD VALUATIONS



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## 100% Disabled Veteran Exemption & Surviving Spouses

The Attorney General recently issued an opinion regarding qualifications for surviving spouses in cases where the 100% disabled veteran died between January 1, 2009 and January 1, 2012.

When the 100% Disabled Veteran exemption was first authorized in 2009, it did not have any provisions for surviving spouses.

This problem was corrected in 2011 when voters approved a constitutional amendment to allow the surviving spouse benefit. The new law took effect on January 1, 2012.

However, there was a question concerning cases in which the 100% disabled veteran passed away prior to the new law taking effect.

With this question in mind, the Attorney General ruled that in cases where the 100% Disabled

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Veteran passed away in 2009, 2010 or 2011 that the surviving spouse can qualify provided they meet all other requirements of the law.

In order to qualify, the 100% Disabled Veteran exemption must already be in place on the property, the surviving spouse must not have remarried, the property in question must be the homestead property of the spouse when the veteran passed away and that the property remains the spouse's current homestead.

For more information please contact our office.

## Productive Land Appraisals Changing for 2012

### *Pasturelands see a reduction...*

Responding to data submitted by Cherokee County ag producers and the State Comptroller's Office, we have reduced the productivity value on all pasturelands to \$88 per acre. This changes a longstanding \$95 per acre that county producers have been accustomed to.

The Appraisal District appreciates the rapid response to our ag survey that was sent out last Fall. We look forward to working closely with producers in the future on ag related valuations.

### *Timberland changes mixed again...*

The valuations on timber are again mixed this year with hardwood increasing, mixed timber moderately down and pine significantly down.

Pine-Soil Class I has decreased \$41 to \$292/Ac  
Pine-Soil Class II has decreased \$35 to \$173/Ac  
Pine-Soil Class III has decreased \$28 to \$67/Ac

Mixed-Soil Class I has decreased \$9 to \$291/Ac  
Mixed-Soil Class II has decreased \$9 to \$185/Ac  
Mixed-Soil Class III has decreased \$8 to \$89/Ac

Hdwood-Soil Class I increased by \$17 to \$160/Ac  
Hdwood -Soil Class II increased by \$12 to \$78/Ac  
Hdwood -Soil Class III increased by \$9 to \$58/Ac

When calculating the values for mixed timber, the increased hardwood prices in the 5 year average have offset some of the decline in pine prices. This resulted in pushing mixed timber values above pine valuations.

## Property Tax Terms

Many terms related to the property tax field are confusing for property owners. The terms in this year's newsletter are just a few of the ones we use in our day to day business. More terms are listed in prior newsletters...

### Schedules

In our appraisal model, we have schedules of value for land and improvements (structures). A schedule is simply a table of prices per unit of measure. These schedules allow the CAD to change the value on many properties at one time.

### Stratum

Each "schedule" is divided up into different strata. A stratum is a row of data inside a schedule. For example, a land schedule will have a row with a price per acre for a 5 acre tract and a different row with a price per acre for a 100 acre tract. These different rows are called strata. Likewise, a residential schedule will have rows for various sizes of living area square footage.

### Living Area Square Footage

The living area of a structure is typically the heated and cooled area. It is measured from the exterior of the structure. Because it is based on

exterior measurements, it will not be the same as the actual interior area of the structure. Many bids by insulation contractors will use interior measurements and therefore will differ from the size calculated by the CAD. The living area does *not* include patios, garages or porches. Those areas are treated as an amenity to value.

### Amenities

Amenities are areas that are not the heated and cooled living area of a structure. Porches, car ports, decks, etc. are examples of amenities. These areas are usually priced as a percentage of the living area price per unit of measure.

### Class

Each schedule is tied to a "class" code. The CAD has categorized all properties into groups of similar types. These groups will have a class code that describes the kind of properties in that group (schedule).

If a District employee uses a term you are not familiar with, please do not hesitate to ask for an explanation.

## Mineral Lease Valuations...

### *Natural Gas Leases down...*

Natural gas values have declined again for the 2012 tax year for most leases. Natural gas prices in 2011 averaged around \$4/mcf. At the time of this printing however, prices are hovering in the low \$2/mcf range but are projected to average in the \$3.70 range for the year.

Additionally, Cherokee County gas wells do not maintain high production levels over extended periods of time. Instead, their production levels tend to decline quicker than other wells initially before leveling out for the life of the well.

Both of these factors have resulted in a lack of new drilling and a loss in county tax base for 2012.

### *Oil Leases up over last year...*

Oil wellhead prices are running contrary to natural gas wellhead prices. Oil prices in 2011 averaged in the mid \$90/bbl range. The projected average \$/bbl of West Texas Intermediate crude is expected to be in the high \$90/bbl range for the 2012 year.

For Cherokee County, oil leases predominately exist in the far north east corner of the county in the Carlisle ISD area. As such, natural gas is the major contributor to the tax base of most taxing authorities in our county.

Three Year History of Values and Tax Rates...

Unit	Year	Certified Taxable Value	% Change	Total Tax Rate	Taxable Val New Prop.
Alto ISD	2009	\$157,557,523		\$1.284360	\$1,616,240
	2010	\$145,350,937	-7.7%	\$1.313500	\$2,428,058
	2011	\$137,191,635	-5.6%	\$1.313500	\$1,907,800
Bullard ISD	2009	\$201,036,548		\$1.470000	\$11,205,590
	2010	\$208,278,917	3.6%	\$1.470000	\$6,569,420
	2011	\$229,411,101	10.1%	\$1.470000	\$12,217,870
Carlisle ISD	2009	\$22,492,080		\$1.270000	\$1,012,790
	2010	\$23,812,054	5.9%	\$1.252000	\$938,586
	2011	\$22,485,529	-5.6%	\$1.505000	\$318,838
Cherokee Co Gen Fund	2009	\$2,107,055,676		\$0.395000	\$39,255,590
	2010	\$2,152,360,178	2.2%	\$0.385000	\$36,441,060
	2011	\$2,171,322,378	0.9%	\$0.405000	\$34,777,080
Cherokee Co LR Fund	2009	\$2,078,091,935		\$0.165000	\$39,177,830
	2010	\$2,080,453,484	0.1%	\$0.165000	\$36,353,450
	2011	\$2,098,404,281	0.9%	\$0.165000	\$34,697,990
City of Alto	2009	\$30,050,827		\$0.303600	\$115,640
	2010	\$29,470,394	-1.9%	\$0.333700	\$118,690
	2011	\$29,109,774	-1.2%	\$0.333700	\$337,590
City of Bullard	2009	\$1,477,147		\$0.558004	\$-
	2010	\$2,425,449	64.2%	\$0.556080	\$-
	2011	\$2,940,355	21.2%	\$0.555749	\$229,350
City of Jacksonville	2009	\$532,735,317		\$0.627700	\$4,374,800
	2010	\$537,476,729	0.9%	\$0.627500	\$7,956,630
	2011	\$542,011,592	0.8%	\$0.625100	\$3,584,990
City of New Summerfield	2009	\$13,381,191		\$0.300000	\$23,740
	2010	\$13,770,655	2.9%	\$0.200000	\$346,970
	2011	\$14,186,575	3.0%	\$0.200000	\$623,740
City of Rusk	2009	\$101,456,918		\$0.482500	\$1,421,790
	2010	\$102,872,482	1.4%	\$0.480000	\$1,962,470
	2011	\$102,715,050	-0.2%	\$0.477500	\$252,660
City of Troup	2009	\$3,576,852		\$0.873898	\$-
	2010	\$3,537,774	-1.1%	\$0.862272	\$-
	2011	\$3,574,324	1.0%	\$0.842270	\$5,830
City of Wells	2009	\$12,503,087		\$0.500000	\$-
	2010	\$11,445,362	-8.5%	\$0.550000	\$130,000
	2011	\$12,121,976	5.9%	\$0.550000	\$460,120
Jacksonville ISD	2009	\$878,097,620		\$1.130000	\$14,398,160
	2010	\$926,021,378	5.5%	\$1.130000	\$15,977,570
	2011	\$944,905,188	2.0%	\$1.320000	\$9,699,940
New Summerfield ISD	2009	\$38,897,319		\$1.040000	\$354,118
	2010	\$52,163,308	34.1%	\$1.040000	\$705,780
	2011	\$54,187,407	3.9%	\$1.040000	\$1,523,630
Rusk ISD	2009	\$355,907,861		\$1.157500	\$7,058,570
	2010	\$353,320,981	-0.7%	\$1.157500	\$6,420,460
	2011	\$351,188,445	-0.6%	\$1.157500	\$3,939,760
Troup ISD	2009	\$136,712,107		\$1.108000	\$1,705,420
	2010	\$133,328,408	-2.5%	\$1.108000	\$1,044,310
	2011	\$122,115,733	-8.4%	\$1.108000	\$2,944,560
Wells ISD	2009	\$103,106,376		\$1.040000	\$596,150
	2010	\$79,694,946	-22.7%	\$1.040000	\$1,086,980
	2011	\$69,325,215	-13.0%	\$1.170000	\$1,012,990

## Real Estate Changes for 2012

Most properties on the Cherokee County appraisal roll either declined in value or had no change for the year. Out of 44,000+ real estate accounts, the assessed value of 46% did not change. 43% of the properties went down. This year, only 11% of real estate properties in the county increased in assessed value.

Most residential property in the City of Rusk increased this year. These changes were based on sales of residential property in the city limits since January of 2010 and ranged from 3% to 13%. Rural residential homes in Rusk ISD increased by 2%.

Lake Jacksonville residential property increased by 3%, while rural frame homes in the fair and average quality classes declined by 3%.

Low and fair quality homes on Lake Palestine increased by 8%. Additionally, a new 'lot' based valuation model was implemented for Eagles Bluff.

This recap covers most of the changes for the year. Your property may have changed more or less due to appraisal inspections. If you have any questions, please contact our office.

## District Website Property Search and New Videos

Web address: <http://www.cherokeecad.com>

To control costs of printing and delivery, this year's newsletter is being provided online at our website. However, property owners may request a paper copy by contacting the appraisal district office.

The website also allows the public to search the appraisal roll. Property owners can look at their proposed values for 2012 and compare that data to surrounding property. A mapping function is also provided to assist in finding property geographically.

The data on the website is updated monthly.

The District has also added two videos explaining the valuation process and how the Board of Directors works. They may be viewed on the website.

## Where to file Complaints about Non-Valuation Issues

The Texas Department of Licensing and Regulation (TDLR) is the oversight agency for staff appraisers.

Complaints about a licensed District appraiser can be registered with the TDLR. These complaints generally should regard illegal or unethical behavior. Complaints may be filed by mail to: **Texas Department of Licensing and Regulation, Attn: Enforcement-Intake, P.O. Box 12157, Austin, TX 78711**. There is also an online option to file complaints at their website:

<https://www.license.state.tx.us/Complaints/>

Follow the options on the page to initiate the complaint process.

Complaints concerning District staff should be directed to the Chief Appraiser. However, if the complaint is about the Chief Appraiser, you may request a meeting with the CCAD Board of Directors. Persons requesting to appear before the Board of Directors should submit their request to the District's mailing address to the attention of the Chairman of the Board of Directors. You will have the opportunity to appear at the next Directors meeting.

Complaints about taxes or tax rates should be directed to the appropriate governing body such as the County Commissioner's Court, City Council or School Board of Trustees.

## How to Contact Us

The District is open Monday through Friday from 8am to 5pm. We are located at 107 East 6<sup>th</sup> Street in Rusk.

Our mailing address is Post Office Box 494, Rusk, Texas, 75785.

Or we may be reached during business hours at 903-683-2296. Facsimiles may be sent to 903-683-6271.