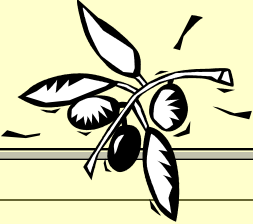


# CCAD VALUATIONS



Cherokee County Appraisal District, 107 East 6<sup>th</sup> Street, Rusk, Texas 75785  
www.cherokeecad.com 903-683-2296 voice 903-683-6271 fax

## Changes in Value for 2011

This year, the District is expected to mail over 24,000 Notices of Value to property owners.

These Notices were generated for properties that either changed in ownership; requested a notice; or where the appraised or market value changed more than \$500 up or down since last year.

Of those Notices, over 14,000 show a decrease in market value. For those accounts gaining in value, 550+ are accounts with new construction, leaving 7,300+ with market value increases \$500 or more as compared to 2010.

Changes to market values were made based upon available sales data for each market area. Based upon this data, some market areas were adjusted upward, some left at prior year levels and some were decreased.

Rural land values in many areas were reduced for

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tracts above 40 acres but were increased for tracts less 40 acres based on available sales.

Lake properties were increased for 2011. The Lake Jacksonville market area exhibited 35 sales in the 2009–2011 time period that indicated District values were low. Similarly, the Lake Stryker area has been adjusted based upon sales on that particular lake in previous years.

## Appraisal Projects and Activities for 2010–2011

### Effective Size of Land Tracts

This year, the District undertook an extensive housekeeping effort to examine and correct what is known as “effective acreage” or “effective size”.

“Effective Size” is the term referring to all adjoining acreage owned by the same owner in other tax accounts. For example, a taxpayer who owns three separate ten acre tracts that adjoin will be valued per acre as though it was one 30 acre tract. This affects the value on the combined property since a 30 acre tract typically sells for less per acre than a comparable 10 acre tract.

The District examined effective size data in 2011 to identify accounts where the information was

out of date or incorrect and implemented procedures to correct any discrepancies.

Because of this, some accounts may have increased or decreased in value.

### Neighborhood Coding

The models the District uses to value land and residences use the same neighborhood code. For example, a house on a dirt road has a “dirt road” code to match the land access. Over time, a small percentage of property became mismatched due to property being split or combined with other tracts having different road access or neighborhood codes. These accounts were identified and corrected this year causing values on those properties to change.

*Please see “Projects” on page 4*

## Property Tax Terms

Many terms related to the property tax field are confusing for property owners. Terms such as ag exemptions, ag rollbacks and personal property are just a few of them. In this year's newsletter, we have selected some of the more common terms encountered by taxpayers for discussion.

### Ag or Timber "Exemption"

Land that is in ag or timber production can receive a reduced valuation for tax purposes. This is commonly referred to as an "exemption". In reality though, it is not an exemption. It is a "special appraisal" based on the capability of the land to produce ag or timber products.

### Ag or Timber Rollback

An "ag or timber rollback" is a penalty that is assessed against land that has received an ag or timber related "special appraisal" if the land is changed to non-productive use. It is equal to the difference between the taxes paid based on the "special appraisal" and the taxes that *would* have been paid at market value for the previous 5 years, plus 7% interest.

## Timber Issues: Pine value down, mixed stable, hardwood up.

### Timber Value

Timber production values were a mixed bag this year with pine tracts declining 6.5 – 9.5% but hardwood tracts increasing 14 – 22.5% per acre. Mixed timber tracts were relatively unchanged.

Timber valuations are based on the income approach to value using a five year running average of price and expense data. The five year running average means that for each tax year, the oldest year is dropped and the current year is added. This year, the price data for 2005 were dropped and 2010 added. Prices for 2005 were higher than 2010 for pine timber causing the average to decline and values to decrease.

### Personal Property

Personal Property actually refers to *business* personal property. In Texas, tangible personal property used to produce income is subject to taxation. Typically, this means the equipment, furniture, fixtures, vehicles and inventory used in the operation of a business. Farm implements, household items and items not used to produce income are exempt from taxation.

### Business Enterprise Value

(Also called "Goodwill" or "Blue Sky") This is the value of an ongoing business that does not include tangible assets. It could be the value of a business name, the value of a franchise or the value of an established customer base. Business Enterprise Value is not taxable.

### ARB

This is an abbreviation for the Appraisal Review Board. The ARB is a panel of local property owners who hear property tax related complaints.

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

The opposite was true for hardwood timber.

Since mixed timber obviously contains elements of both, the gains and losses mostly offset each other.

### Sec. 23.9802 Replanted Tracts

Some harvested timber tracts replanted after 1997 have been receiving a 50% reduction under Sec. 23.9802. This reduction lasts for 10 years after which the value reverts to the full timber productive value. This year, tracts that received this reduction in the tax year 2001 or prior have been changed from 50% to 100% timber value.

Three Year History of Values and Tax Rates...

Unit	Year	Certified Taxable Value	% Change	Total Tax Rate	Taxable Val New Props
Alto ISD	2008	\$ 136,394,945		\$ 1.276500	\$ 1,318,280
	2009	\$ 157,557,523	15.5%	\$ 1.284360	\$ 1,616,240
	2010	\$ 145,350,937	-7.7%	\$ 1.313500	\$ 2,428,058
Bullard ISD	2008	\$ 188,985,284		\$ 1.470000	\$ 15,217,930
	2009	\$ 201,036,548	6.4%	\$ 1.470000	\$ 11,205,590
	2010	\$ 208,278,917	3.6%	\$ 1.470000	\$ 6,569,420
Carlisle ISD	2008	\$ 23,141,148		\$ 1.240000	\$ 1,296,004
	2009	\$ 22,492,080	-2.8%	\$ 1.270000	\$ 1,012,790
	2010	\$ 23,812,054	5.9%	\$ 1.252000	\$ 938,586
Jacksonville ISD	2008	\$ 888,182,749		\$ 1.117900	\$ 12,166,090
	2009	\$ 878,097,620	-1.1%	\$ 1.130000	\$ 14,398,160
	2010	\$ 926,021,378	5.5%	\$ 1.130000	\$ 15,977,570
New Summerfield ISD	2008	\$ 38,291,252		\$ 1.040000	\$ 329,760
	2009	\$ 38,897,319	1.6%	\$ 1.040000	\$ 354,118
	2010	\$ 52,163,308	34.1%	\$ 1.040000	\$ 705,780
Rusk ISD	2008	\$ 350,630,426		\$ 1.157500	\$ 4,957,142
	2009	\$ 355,907,861	1.5%	\$ 1.157500	\$ 7,058,570
	2010	\$ 353,320,981	-0.7%	\$ 1.157500	\$ 6,420,460
Troup ISD	2008	\$ 128,478,363		\$ 1.108000	\$ 4,232,710
	2009	\$ 136,712,107	6.4%	\$ 1.108000	\$ 1,705,420
	2010	\$ 133,328,408	-2.5%	\$ 1.108000	\$ 1,044,310
Wells ISD	2008	\$ 81,449,052		\$ 1.040000	\$ 292,980
	2009	\$ 103,106,376	26.6%	\$ 1.040000	\$ 596,150
	2010	\$ 79,694,946	-22.7%	\$ 1.040000	\$ 1,086,980
City of Alto	2008	\$ 29,467,315		\$ 0.303600	\$ 188,819
	2009	\$ 30,050,827	2.0%	\$ 0.303600	\$ 115,640
	2010	\$ 29,470,394	-1.9%	\$ 0.333700	\$ 118,690
City of Bullard	2008	\$ 1,281,971		\$ 0.470674	\$ -
	2009	\$ 1,477,147	15.2%	\$ 0.558004	\$ -
	2010	\$ 2,425,449	64.2%	\$ 0.556080	\$ -
City of Jacksonville	2008	\$ 542,465,837		\$ 0.598400	\$ 5,229,620
	2009	\$ 532,735,317	-1.8%	\$ 0.627700	\$ 4,374,800
	2010	\$ 537,476,729	0.9%	\$ 0.627500	\$ 7,956,630
City of New Summerfield	2008	\$ 12,682,471		\$ 0.400000	\$ -
	2009	\$ 13,381,191	5.5%	\$ 0.300000	\$ 23,740
	2010	\$ 13,770,655	2.9%	\$ 0.200000	\$ 346,970
City of Rusk	2008	\$ 99,115,643		\$ 0.485000	\$ 412,130
	2009	\$ 101,456,918	2.4%	\$ 0.482500	\$ 1,421,790
	2010	\$ 102,872,482	1.4%	\$ 0.480000	\$ 1,962,470
City of Troup	2008	\$ 5,069,817		\$ 0.671643	\$ -
	2009	\$ 3,576,852	-29.4%	\$ 0.873898	\$ -
	2010	\$ 3,537,774	-1.1%	\$ 0.862272	\$ -
City of Wells	2008	\$ 12,000,124		\$ 0.500000	\$ 38,760
	2009	\$ 12,503,087	4.2%	\$ 0.500000	\$ -
	2010	\$ 11,445,362	-8.5%	\$ 0.550000	\$ 130,000
Cherokee Co Gen Fund	2008	\$ 2,043,497,226		\$ 0.435000	\$ 41,518,773
	2009	\$ 2,107,055,676	3.1%	\$ 0.395000	\$ 39,255,590
	2010	\$ 2,152,360,178	2.2%	\$ 0.385000	\$ 36,441,060
Cherokee Co LR Fund	2008	\$ 2,027,503,243		\$ 0.145000	\$ 41,411,383
	2009	\$ 2,078,091,935	2.5%	\$ 0.165000	\$ 39,177,830
	2010	\$ 2,080,453,484	0.1%	\$ 0.165000	\$ 36,353,450

From *Projects* on page 1

### **Owner ID Numbers**

Each property owner is assigned a unique Owner ID in the District's system. That record holds the owner name and address for all property accounts the taxpayer owns. Some taxpayers have accumulated duplicate Owner IDs over the course of time. This year, those ID numbers were reviewed and corrected. This will not affect value, but you may see a slight change in how you receive notices in the mail.

### **Field Inspections**

The appraisal staff conducted field inspections for Bullard, Troup, Carlisle and New Summerfield Schools. Those inspections were conducted between August of 2010 and April of 2011. For the upcoming appraisal year of 2011–2012, the District is scheduled to conduct field inspections in Jacksonville ISD.

## **New District Website and Public Research Area**

**Web address: [cherokeecad.com/](http://cherokeecad.com/)**

This year the District is releasing a new website that combines the search capability you have grown accustomed to plus more information about the District, its operations and values.

The new website contains information about District budgets, reappraisal plans and much more. Data will be added to the website as time passes and we encourage the public to contact us about information you would like to see. Most files are in pdf format so you will need a pdf viewer to access the files.

### **Public Research Area**

The District has also rearranged office space to allow for a research area off of the front lobby. The room contains three public access terminals that will link the user to the District's website in order to search the appraisal roll. They also contain pdf copies of appraisal and tax rolls

The room is open to the public. While access is free of charge, any printed copies are available for \$0.10 per printed page.

## **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 should 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: <http://www.license.state.tx.us/index.html> Follow the links on the home page to access 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.