

2024 REPORT

METHODS AND ASSISTANCE PROGRAM



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Texas Comptroller of Public Accounts
2024-25 Final Methods and Assistance Program Review
Panola County Appraisal District
Current MAP Cycle Chief Appraiser(s): Douglas McPhail
Previous MAP Cycle Chief Appraiser(s): Douglas McPhail

This review is conducted in accordance with Tax Code Section 5.102(a) and related Comptroller Rule 9.301. The Comptroller is required by statute to review appraisal district governance, taxpayer assistance, operating procedures and appraisal standards.

| Mandatory Requirements | PASS/FAIL |
|---|------------------|
| Does the appraisal district board of directors, through the chief appraiser, ensure administrative functions are followed in accordance with Chapter 6 of the Texas Property Tax Code? | PASS |
| Does the appraisal district have up-to-date appraisal maps? | PASS |
| Is the implementation of the appraisal district’s most recent reappraisal plan current? | PASS |
| Are the appraisal district’s appraisal records up-to-date and is the appraisal district following established procedures and practices in the valuation of property? | FAIL |
| Are values reproducible using the appraisal district’s written procedures and appraisal records? | PASS |

| Appraisal District Activities | RATING |
|--|-------------------------------|
| Governance | Unsatisfactory |
| Taxpayer Assistance | Unsatisfactory |
| Operating Procedures | Needs Some Improvement |
| Appraisal Standards, Procedures and Methodology | Meets |

Appraisal District Ratings:

Meets All – The total point score is 100

Meets – The total point score ranges from 90 to less than 100

Needs Some Improvement - The total point score ranges from 85 to less than 90

Needs Significant Improvement – The total point score ranges from 75 to less than 85

Unsatisfactory – The total point score is less than 75

| Review Areas | Total Questions in Review Area (excluding N/A Questions) | Total “Yes” Points | Total Score (Total “Yes” Questions/Total Questions) x 100 |
|--|---|---------------------------|--|
| Governance | 18 | 11 | 61 |
| Taxpayer Assistance | 12 | 7 | 58 |
| Operating Procedures | 24 | 21 | 88 |
| Appraisal Standards, Procedures and Methodology | 27 | 25 | 93 |

Glenn Hegar
Texas Comptroller of Public Accounts
2024-25 Final Methods and Assistance Program Tier 2 Review
Panola County Appraisal District

This review is conducted in accordance with Tax Code Section 5.102(a) and related Comptroller Rule 9.301. The Comptroller is required to review appraisal districts’ governance, taxpayer assistance, operating procedures and appraisal standards, procedures and methodology. Each appraisal district is reviewed every other year. This report details the results of the review for the appraisal district named above.

GOVERNANCE

| | Review Question | Answer | Recommendation |
|----|--|---------------|---|
| 1. | Does the appraisal district board of directors regularly evaluate the chief appraiser? | No | Ensure the appraisal district board of directors regularly evaluates the chief appraiser. Ensure the appraisal district board of directors discusses the results of the chief appraiser’s evaluation with him or her. |
| 2. | Is the chief appraiser certified as a registered professional appraiser as prescribed by Occupations Code Section 1151.160 or do they hold a professional designation as required by Tax Code Section 6.05(c)? | Yes | No Recommendation |
| 3. | Has the chief appraiser completed a Chief Appraiser Institute prescribed by Occupations Code Section 1151.164 as required by Tax Code Section 6.05(c)? | Yes | No Recommendation |
| 4. | Have the appraisal district board members and appraisal review board members completed Open Meetings training pursuant to Government Code Section 551.005? | No | Ensure all appraisal district board members complete Open Meetings training as required by Government Code Section 551.005. Ensure all appraisal review board members complete Open Meetings training as required by Government Code Section 551.005. |

| Review Question | | Answer | Recommendation |
|-----------------|--|--------|---|
| 5. | Has the chief appraiser calculated the number of votes to which each taxing unit is entitled and delivered written notice of the voting entitlement before Oct. 1 of the most recent odd-numbered year as described in Tax Code Section 6.03(e) or if the appraisal district falls under Tax Code Section 6.031, have they received nominating resolutions by Dec. 31? | Yes | No Recommendation |
| 6. | Before Oct. 30, did the chief appraiser prepare a ballot, listing the candidates whose names were timely submitted and deliver a copy to each taxing unit that is entitled to vote in accordance with Tax Code Section 6.03(j)? | Yes | No Recommendation |
| 7. | Did the appraisal district receive nominating resolutions before Dec. 15 and did the chief appraiser submit the results to the governing body of each taxing unit entitled to vote and the candidates before Dec. 31 as required by Tax Code Section 6.03(k)? | No | Submit voting results for the appraisal district board of directors to each taxing unit and candidate prior to Dec. 31 as required by Tax Code Section 6.03(k). |
| 8. | Did the appraisal district board of directors meet at least quarterly in the previous year and with a quorum present at every meeting as required by Tax Code Section 6.04(b) and Government Code Chapter 551? | Yes | No Recommendation |
| 9. | Do the appraisal district board of directors' meeting agendas match what was discussed in the meetings and was the meeting held at the time, place and date listed on the agenda? | Yes | No Recommendation |
| 10. | Was the most recent written reappraisal plan adopted by the appraisal district's board of directors by the Sept. 15 deadline as required by Tax Code Section 6.05(i)? | Yes | No Recommendation |
| 11. | Did the appraisal district board of directors provide notice of the public hearing at which the most recent reappraisal plan was adopted, pursuant to Tax Code Section 6.05(i)? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|---|
| 12. | Was the appraisal district's most recent preliminary budget produced and delivered to the taxing units and appraisal district board of directors according to the requirements of Tax Code Section 6.06(a)? | Yes | No Recommendation |
| 13. | Did the appraisal district prepare and post the most recent budget notice according to the requirements of Tax Code Section 6.062? | Yes | No Recommendation |
| 14. | Did the appraisal district board of directors provide notice of and host a public hearing for the most recent budget and approve the budget before Sept. 15 according to the requirements of Tax Code Section 6.06(b)? | Yes | No Recommendation |
| 15. | Did the appraisal district board of directors hold a public meeting to discuss the receipt of notice under Government Section 403.302(k)? | No | Ensure the appraisal district board of directors holds a public meeting to discuss receiving the Comptroller's notice of invalid school district findings, as required by Government Section 403.302(k). |
| 16. | Has the chief appraiser appointed a qualified agricultural appraisal advisory board and has that board met at least once within the previous year, as required by Tax Code Section 6.12? | No | Ensure the agricultural appraisal advisory board meets at least once per year as required by Tax Code Section 6.12. |
| 17. | Did the chief appraiser distribute the farm and ranch survey instructional guide to the members of agricultural appraisal advisory board as required by Government Code Section 403.3022(e) and provide information to the board regarding how to access the informational session provided under Government Code Section 403.3022(c) in the previous year? | No | Distribute the farm and ranch survey instructional guide to the members of the agricultural appraisal advisory board as required by Government Code Section 403.3022(e). Distribute information on how to access the informational session provided by the Comptroller under Government Code Section 403.3022(c) to the members of the agricultural appraisal advisory board as required by Government Code Section 403.302(e). |

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|---|
| 18. | Are allocation statements sent to each taxing unit and allocations received as described in Tax Code Section 6.06(e)? | No | Apply penalty and interest to delinquent allocation payments if not waived as required by Tax Code Section 6.06(k). Adopt a resolution outlining the procedures and policy of waiving penalty and interest on delinquent payments, as allowed by Tax Code Section 6.06(k). |

TAXPAYER ASSISTANCE

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|---|
| 19. | Is the information on the appraisal district's website up to date? | Yes | No Recommendation |
| 20. | Does the appraisal district maintain contact with the public by providing written publications and annual reports as described in IAAO's Standard on Communication and Outreach? | Yes | No Recommendation |
| 21. | Does the appraisal district publicize the notices required by Tax Code Sections 11.44(b), 22.21, 23.43(f), 23.54(g) and 23.75(g) in a manner designed to reasonably notify all property owners? | Yes | No Recommendation |
| 22. | Does the appraisal district publish the notice of protest and appeal procedures as required by Tax Code Section 41.70? | No | Publish the notice of protest and appeal procedures as required by Tax Code Section 41.70. |
| 23. | Does the appraisal district have an effective procedural manual as described in IAAO's Standard on Communication and Outreach? | No | Develop a procedural manual as described in IAAO's Standard on Communications and Outreach. |
| 24. | Does the appraisal district have a procedure for receiving and responding to open records requests that complies with Government Code Chapter 552 and is the procedure being followed? | N/A | No Recommendation |
| 25. | Does the appraisal district have a process for the periodic review of each residence homestead exemption to confirm that the recipient of the exemption still qualifies for the exemption as required by Tax Code Section 11.43(h-1)? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|-----------------|--|--------|---|
| 26. | Does the appraisal district follow their procedures to address residence homestead exemptions that are applied for after Jan. 1 according to Tax Code Section 11.42(f)? | N/A | No Recommendation |
| 27. | Does the residence homestead exemption application used by the appraisal district comply with Comptroller Rule 9.415? | Yes | No Recommendation |
| 28. | Does the appraisal district notify property owners when denying, modifying or cancelling exemptions as described in Tax Code Sections 11.43(h) and 11.45(d)? | N/A | No Recommendation |
| 29. | Does the appraisal district follow the procedure described in Tax Code Section 11.43(q) when cancelling residence homestead exemptions for individuals who are 65 years of age or older? | No | Follow the procedure described in Tax Code Section 11.43(q) when cancelling residence homestead exemptions for individuals who are 65 years of age or older. |
| 30. | Does the appraisal district follow their procedures to address heir property claimed as an individual's residence homestead? | No | Follow the appraisal district's procedures for processing heir property residence homestead exemption applications. Collect and retain documentation for heir property residence homestead exemptions as required by Tax Code Section 11.43(o). |
| 31. | Did the chief appraiser deliver notices of denial of applications for open-space land designation that include a brief explanation of the procedures for protesting the denials and full explanations of the reasons for the denials in the current or prior year, as required by Tax Code Section 23.57(d)? | No | Deliver notices of denial of applications for open-space land via certified mail as required by Tax Code Section 1.07(d). |
| 32. | Did the chief appraiser deliver appropriate exemption application forms in the current year to persons who in the preceding year were allowed exemptions requiring annual applications, as required by Tax Code Section 11.44(a)? | N/A | No Recommendation |

| Review Question | | Answer | Recommendation |
|------------------------|--|---------------|-----------------------|
| 33. | Does the appraisal district comply with the requirements for granting solar and wind power energy devices exemptions under Tax Code Section 11.27? | N/A | No Recommendation |
| 34. | Does the appraisal district comply with the requirements for granting charitable organization exemptions under Tax Code Section 11.18? | Yes | No Recommendation |
| 35. | Does the appraisal district maintain the information required in Tax Code Section 11.432 for manufactured homes to qualify as a residence homestead? | Yes | No Recommendation |
| 36. | Did the appraisal district provide written notices of changes of account numbers of appraisal records in the previous year as required by Tax Code Section 25.02(c)? | N/A | No Recommendation |

OPERATING PROCEDURES

| Review Question | | Answer | Recommendation |
|------------------------|---|---------------|-----------------------|
| 37. | Did the appraisal district timely submit its response the Comptroller's most recent appraisal district operations survey? | Yes | No Recommendation |
| 38. | Does the appraisal district have comprehensive and workable written procedures concerning disaster recovery and mitigation? | Yes | No Recommendation |
| 39. | Have appraisal district employees with access to a local government computer system or database completed a cybersecurity training program certified under Government Code Section 2054.519 or offered under Section 2054.519(f) in the previous fiscal year as required by Government Code Section 2054.5191(a-1)? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|---|
| 40. | Has the appraisal district verified and reported the completion of a cybersecurity training program by employees of the appraisal district to the Texas Department of Information Resources as required by Government Code Section 2054.5191(b)(1) by August 31 of the previous fiscal year? | Yes | No Recommendation |
| 41. | Did the appraisal district send copies of the most recent reappraisal plan to the presiding officers of the governing body of each taxing unit participating in the appraisal district and to the Comptroller’s office by the date described in Tax Code Section 6.05(i)? | Yes | No Recommendation |
| 42. | Did the appraisal district hold an informal conference before the hearing on the protest with each property owner who filed a notice of protest with the appraisal review board and requested an informal conference in the previous year as required by Tax Code Section 41.445? | No | Hold an informal conference before the hearing with each property owner who files a notice of protest with the appraisal review board and requests an informal conference as required by Tax Code Section 41.445. |
| 43. | Does the appraisal district process regular binding arbitration requests as described in Tax Code Section 41A.05 and Comptroller Rules? | Yes | No Recommendation |
| 44. | Did the appraisal district correct the appraisal roll and other appropriate records as necessary to reflect the final determination of the binding arbitration and certify the change to the assessor for each affected taxing unit no later than the 45th day after the date an appeal is finally determined as required by Tax Code Sections 42.41(a)(1) and (2)? | Yes | No Recommendation |
| 45. | Not later than April 30 of the most recent year, did the appraisal district prepare and certify to the assessor for each county, municipality and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unit as described by Tax Code Section 26.01(e)? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|-----------------|--|--------|--|
| 46. | Did the chief appraiser prepare and certify the two most recent appraisal rolls or a certified estimate of the taxable value in the taxing unit to the assessor for each taxing unit participating in the appraisal district as described in Tax Code Sections 26.01(a) and (a-1)? | No | Send written notifications of the form in which the appraisal roll will be provided to the assessors of each taxing unit participating in the appraisal district April 1 as required by Tax Code Section 26.01(a). |
| 47. | Are changes made to the appraisal roll under Tax Code Section 25.25 coded by the appropriate subsection that authorizes the change? | Yes | No Recommendation |
| 48. | Are corrections of the appraisal roll presented to the appraisal district's board of directors and appraisal review board as described in Tax Code Section 25.25(b)? | Yes | No Recommendation |
| 49. | Are the changes identified as Tax Code Section 25.25(c) changes to the appraisal roll permissible in accordance with Tax Code Section 25.25(c)? | Yes | No Recommendation |
| 50. | Does the chief appraiser submit the completed appraisal records to the appraisal review board for review and determination of protests as described in Tax Code Section 25.22? | Yes | No Recommendation |
| 51. | Do the appraisal review board's orders of determination comply with the requirements of Tax Code Sections 41.47(c)(1) and (2) and the Comptroller's model hearing procedures as they relate to Tax Code Section 5.103(b)(2)? | Yes | No Recommendation |
| 52. | Does the appraisal district provide evidence during appraisal review board hearings? | Yes | No Recommendation |
| 53. | Does the chief appraiser deliver required documentation to the property owner/agent requested under Tax Code Section 41.461 at least 14 days before the hearing on the protest? | Yes | No Recommendation |
| 54. | Has the appraisal district created and maintained a publicly available and searchable online database containing information regarding ARB hearings as required by Tax Code Section 41.13? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|--|
| 55. | Are agent authorization forms on file and complete in accordance with Tax Code Section 1.111(b)? | Yes | No Recommendation |
| 56. | Are Category D and Category E properties correctly categorized according to the Comptroller's Texas Property Tax Assistance Property Classification Guide? | No | Correctly categorize properties according to PTAD's Texas Property Assistance Property Classification Guide. |
| 57. | Do the appraisal records include the required descriptive information for manufactured homes as stated in Tax Code Section 25.03? | Yes | No Recommendation |
| 58. | Did the appraisal district submit the two most recent electronic property transaction submissions to the Comptroller's office timely? | Yes | No Recommendation |
| 59. | Did the appraisal district submit the two most recent electronic appraisal rolls to the Comptroller's office timely? | Yes | No Recommendation |
| 60. | Did the appraisal district report the total tax rate imposed by each taxing unit within its jurisdiction to the Comptroller's office by Oct. 15 or Nov. 15 of the previous year as required by Tax Code Section 5.091 and prescribed by the Electronic Appraisal Roll Submission (EARS) manual? | Yes | No Recommendation |

APPRAISAL STANDARDS, PROCEDURES AND METHODOLOGY

| Review Question | | Answer | Recommendation |
|-----------------|--|--------|---|
| 61. | Have the physical inspection dates in the appraisal records been updated within the previous six years as discussed in IAAO's Standard on Mass Appraisal of Real Property? | Yes | No Recommendation |
| 62. | Did the appraisal district complete and produce written mass appraisal reports in the previous two years as required by USPAP Standard 6? | No | Complete and produce annual mass appraisal reports that comply with USPAP Standards Rule 6-8. Include a signed certification for the mass appraisal report as required by USPAP Standards Rule 6-8. |

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|-------------------|
| 63. | Do the appraisal district’s contracts contain the items described in IAAO’s Standard on Contracting for Assessment Services? | Yes | No Recommendation |
| 64. | Does the appraisal district follow a procedure or process for reviewing, verifying or evaluating the work of their appraisal services and mapping contractors? | Yes | No Recommendation |
| 65. | Are deeds and other ownership documents processed within 90 days of recording? | Yes | No Recommendation |
| 66. | Does the appraisal district gather available real estate transfer documents and use available third-party sources in gathering sales information according to IAAO’s Standard on Verification and Adjustment of Sales, Sections 3.1 through 3.4? | Yes | No Recommendation |
| 67. | Do sold and unsold “like” properties within the same market area have similar noticed values? | Yes | No Recommendation |
| 68. | Does the appraisal district use the same or similar appraisal methods and techniques in appraising the same or similar kinds of property as required by Tax Code Section 23.01(b)? | Yes | No Recommendation |
| 69. | Does the appraisal district have a process to determine whether there is clear and convincing evidence to change the appraised value to market value as required by Tax Code Section 23.01(e) in the tax year after a value is lowered under Tax Code Subtitle F? | Yes | No Recommendation |
| 70. | Does the appraisal district run ratio studies by market area and neighborhood, property class or stratum? | Yes | No Recommendation |
| 71. | Are the appraisal district’s cost schedules and appraisal models used in such a way that adjustments are made for neighborhood factors and property specific factors? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|-----------------|---|--------|-------------------|
| 72. | Has the appraisal district adjusted its residential property cost schedules based on sales data, ratio studies, local conditions or market factors within the previous two years? | Yes | No Recommendation |
| 73. | Has the appraisal district adjusted its commercial property cost schedules based on sales data, ratio studies, local conditions or market factors within the previous two years? | Yes | No Recommendation |
| 74. | Does the appraisal district apply the rendition penalty for taxpayers who do not render timely according to Tax Code Section 22.28 and are penalties waived when necessary, as described in Tax Code Section 22.30? | Yes | No Recommendation |
| 75. | Has the chief appraiser established procedures for the equitable and uniform appraisal of residential inventory for taxation as required by Tax Code Section 23.12? | Yes | No Recommendation |
| 76. | Does the appraisal district perform multiple quality control steps to ensure the accuracy and uniformity of property valuations? | Yes | No Recommendation |
| 77. | Does the appraisal district gather income and expense data and calculate values using the income approach for multi-family property? | Yes | No Recommendation |
| 78. | Does the appraisal district gather income and expense data and calculate values using the income approach for office property? | Yes | No Recommendation |
| 79. | Does the appraisal district gather income and expense data and calculate values using the income approach for retail property? | Yes | No Recommendation |
| 80. | Does the appraisal district gather income and expense data and calculate values using the income approach for warehouse mini storage property? | Yes | No Recommendation |
| 81. | Are exempt and nonexempt multi-family low-income properties appraised in accordance with Tax Codes Section 23.215 and 11.1825(q)? | Yes | No Recommendation |

| Review Question | | Answer | Recommendation |
|------------------------|--|---------------|---|
| 82. | Are net to land calculations for agricultural use land designated as dry and irrigated cropland reproducible from the appraisal district's records and is the appraisal district following its dry and/or irrigated cropland schedule? | N/A | No Recommendation |
| 83. | Are net to land calculations for agricultural use land designated as native pasture reproducible from the appraisal district's appraisal records and is the appraisal district following its native pasture schedule? | Yes | No Recommendation |
| 84. | Does the appraisal district perform property inspections as a result of receiving wildlife management use appraisal applications? | Yes | No Recommendation |
| 85. | Does the appraisal district perform property inspections as a result of receiving agricultural use appraisal applications? | Yes | No Recommendation |
| 86. | Does the appraisal district have completed applications and required documentation on file for properties granted agricultural use appraisal? | Yes | No Recommendation |
| 87. | Is the appraisal district following its current guidelines for degree of intensity standards when granting special valuation appraisal for agricultural and/or timberland use? | Yes | No Recommendation |
| 88. | Does the appraisal district make an entry on the appraisal records when agricultural applications are received after April 30 and deliver written notice of imposition of the penalty as described in Tax Code Sections 23.431 and 23.541? | No | Make an entry in the appraisal records and provide written notification of the imposition of penalty as required by Tax Code Section 23.431. Make an entry in the appraisal records and provide written notification of the imposition of penalty as required by Tax Code Section 23.541. |