

NEWS RELEASE

March 6, 2023

BANDERA APPRAISAL DISTRICT VALUES FALL BELOW STATE ASSIGNMENT

Schools in Bandera County are again faced with losing state funding because the locally appraised values of homes and businesses did not reach the 95% of sales prices, the ratio mandated in state law. The appraisal district and local schools learned of the study results in early February.

Market sales of homes and rural land were the chief contributors to the failure. For homes on lots, the state comptroller set the total value at \$1,601,678,537 compared to the local value of \$1,382,088,410. Homes on acreage values were set at \$1,371,994,962 compared to locally set values of \$1,227,616,352. Additionally, the state study indicated that land value was well below sales data and assigned a value of \$267,308,854 compared to local values of \$166,373,031. Commercial property (local businesses) also were behind state values by \$93 million. The overall values of all property in Bandera ISD were assigned by the state at \$2,676,222,417 while local values totaled \$2,281,239,429.

In the Medina school district, state values also fell well below local values with homes on rural land being set by the state at \$414,982,681 compared to local values of \$345,224,092. Overall values in Medina were assigned total values of \$422,159,101 compared to local values of \$345,950,353.

Utopia ISD also fell short of assigned state values by \$136 million with most of the issue being homes on acreage.

For all schools, the results mean potential losses of state funding. Appeals have been filed by attorneys for the schools, but the differences are so significant that the appeals are unlikely to bring the schools into compliance.

Maria Garcia, Interim Chief Appraiser for Bandera Central Appraisal District, lamented the results. "It is really bad news for all of us in Bandera County. This means that we will have to increase values again this year after large increases in the past two years. District values were increased over \$660 million last year in Bandera and \$97 million in Medina, but the market has been so unexpected that we didn't shoot high enough. We are watching the market for a hopeful downturn but are not yet seeing lower sales prices."

"There is some good news for local taxpayers," said Garcia. "Persons with a homestead exemption are limited to a 10% increase from the prior year, and that will help to restrict major increases for homeowners. Also, for homesteaded properties whose owners are over 65 or disabled, their school taxes are capped so nothing will change for them on their school taxes, regardless of the value changes."

Notices will be sent to taxpayers whose value has increased in May. A protest form will be included as well as instructions on how to file a protest online. "We just want to get the values correct so that the local schools will be fully funded," said Ms. Garcia. "If taxpayers have evidence that we are wrong, we will gladly correct our values. Good evidence to bring to the district are recent purchase paperwork, recent fee appraisals, repair estimates or interior pictures showing problems areas that would impact sales prices."

Values will not be set until May.