

# 2017 Annual Report

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AUSTIN COUNTY APPRAISAL DISTRICT | 906 E. AMELIA ST., BELLVILLE, TEXAS 77418

## **INTRODUCTION**

The Austin County Appraisal District is a political subdivision of the State of Texas. The Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the operations of the appraisal district.

## **MISSION**

It is the mission of the Austin County Appraisal District (ACAD) to discover, list, and appraise all property within the boundaries of the District as accurately as possible in order to estimate a fair and equitable market value. The District will provide a well-managed office that will serve the public giving the same consideration, information, and assistance to each customer, as well as, provide up-to-date and accurate records to the taxing authorities.

The district will administer the laws under the Texas Property Tax Code and operate under the standards of

- The Property Tax Assistance Division of the Texas Comptroller's Office
- The International Association of Assessing Officers
- The Uniform Standards of Professional Appraisal Practices

## **OVERVIEW**

The Austin County Appraisal District is responsible for local property appraisal and exemption administration for 16 jurisdictions or taxing units in the county. Each taxing unit, such as the county, a city, school district, etc., sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Property appraisals and estimated values by the appraisal district allocate the year's tax burden on the basis of each taxable property's market value. The District also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled veterans, charitable or religious organizations and for agricultural productivity valuation.

ACAD is responsible for 656 square miles and 37,112 property accounts within Austin County. Columbus Independent School District, Brenham Independent School District, and Burton Independent School District have properties that over-lap into Austin County. ACAD is responsible for the appraisal and exemption administration of those properties. These accounts are included within the number of property accounts. Brazos Independent School District overlaps into Ft. Bend County. ACAD is not responsible for the appraisal or exemption administration of those properties. The accounts that are within Ft. Bend County are not included in the number of property accounts.

ACAD's required operations are outlined in the Texas Administrative Code and are monitored by the Texas Comptroller of Public Accounts. Except as otherwise provided by the Texas Property Tax Code, all taxable property is appraised at "market value" as of January 1. Under the Texas

Property Tax Code, Section 1.04(7), “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 the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use, and; both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The Texas Property Tax Code defines special appraisal provisions for the valuation of residential homestead property (Section 23.23), productivity (Section 23.41), real property inventory (Section 23.12), dealer inventory (Sections 23.121, 23.124, 23.1241 and 23.127), nominal (Section 23.18) or restricted use properties (Section 23.83) and allocation of interstate property (Section 23.03).

### **TAXING JURISDICTIONS**

The Austin County Appraisal District is responsible for appraising all properties for each of the taxing jurisdictions that have territory located within Austin County. They are as follows:

- Austin County
- Bellville ISD
- Sealy ISD
- Brazos ISD
- Brenham ISD
- Burton ISD
- Columbus ISD
- City of Bellville
- City of Sealy
- Town of San Felipe
- City of Brazos Country
- City of Wallis
- Austin County Emergency Service District #1
- Austin County Emergency Service District #2
- Austin County Emergency Service District #3
- Bellville Hospital District

### **ACTIVITIES PERFORMED BY ACAD IN 2017**

The appraisal process is an art, not a science. The appraised value of real estate is calculated using specific information about each property. Using computer-assisted mass appraisal programs and recognized appraisal methods and techniques, information is compared with the data of similar properties and with recent cost and market data. The District, as required by the state of Texas, follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practices

(USPAP) to the extent they are applicable. Chapter 23 of the Texas Property Tax Code contains statutes dealing with appraisal methods and procedures. Section 23.01 of this chapter was amended in 1997 to specify that appraisal districts are required to comply with the mass appraisal standards of USPAP (Standard Six) when the appraised value of a property is established using mass appraisal techniques.

#### The ACAD's Valuation Process

In order to make a valuation, the staff must first identify new properties. This is done by viewing aerial photography, scouring local government records such as building permits, or locating advertisements in the newspaper.

The staff must then collect data by visiting new and existing properties. The staff assesses the value of new structures, as well as assesses depreciation and the value of any new additions to existing structures. Additionally, appraisers must classify the quality of the construction by examining features such as rooflines, add-ons, construction type such as brick or wood, etc. Data regarding sales and building prices must also be collected.

These values must be entered into the automated system along with changes in property parcel sizes and exemptions received from homeowners, the elderly, disabled veterans, charitable or religious organizations, and agricultural productivity valuation (this includes property that qualifies based on wildlife practices).

Then the data must be analyzed following the mass appraisal standards of the USPAP. Properties are grouped by school district, subdivision, town and neighborhood. Questions such as "does the ACAD value match recent sales values?" must be answered. Value is then assessed to as close to 100% of market value as possible (per state law). If this is not the case, then an analysis must be done to determine the reason the values are not in line. Once this is determined, further adjustments are made according to existing professional standards.

Additionally ACAD must

- Analyze and revise office operations to conform with legislative changes,
- Compile and file reports required by the state,
- Work with customers regarding concerns and appeals,
- Prepare for state audits and inspections, and
- Perform required community outreach.

ACAD had 15 full-time employees during 2017 with the following classifications:

- 1 Administrative Professionals
- 4 Appraisers
- 2 Administrative Support Professional
- 8 Clerical / Support Staff

*Note: Because the work is highly technical and closely regulated, appraisers and professionals must obtain licensing and attend yearly training on legislative updates. Additionally, all staff are required by the State of Texas to obtain yearly customer service training.*

**MINERAL, INDUSTRIAL, UTILITY AND RELATED PERSONAL PROPERTY**

Mineral, industrial, utility and other related personal property is appraised by Pritchard & Abbott, Inc. (P&A) at the fair market value by utilizing approaches such as the cost approach, market approach, and income approach. The main source P&A uses for data collection is fieldwork by the appraisers and commercially/publicly available schedules developed on current costs such as Marshall & Swift, Handy-Whitman, Chemical Engineering Magazine, Oil & Gas Journal, etc. The validity of the values by P&A’s income and cost approaches to value is tested against actual market transactions, if and when these transaction and verifiable details of the transactions are disclosed to P&A. These transactions are checked for meeting all requisites of fair market value definition. Any conclusions from this analysis are also compared to industry benchmarks before being incorporated in the calibration procedure.

**PROPERTY TYPES APPRAISED**

ACAD is responsible for the appraisal of just over 37,000 parcels. The following represents a summary of property types appraised by the district for 2017:

<b>PTAD Classification</b>	<b>Property Type</b>	<b>Parcel Count</b>	<b>Market Value</b>
A	Single Family	7,789	1,261,089,912
B	Multi-Family	100	26,467,658
C	Vacant Lots	1,453	42,608,201
D1	Qualified Ag Land	8,630	2,672,985,377
D2	Farm/Ranch Improvements on Qualified Ag Land	1285	14,247,120
E1	Residential Farm/Ranch Improvements on Qualified Ag Land	3,763	778,846,809
E2	Manufactured Housing on Qualified Ag Land	425	12,560,111
E3	Non-Qualified Ag Land	801	58,738,843
E4	Miscellaneous Improvements on Non-Ag Land	10	314,413
F1	Commercial Real Property	873	232,315,212
F2	Industrial Real Property	72	113,190,012
G1	Oil & Gas	12,761	16,725,750
J1	Water Systems	1	8,906
J2	Gas Distribution Systems	3	119,930
J3	Electric Companies	58	37,909,163
J4	Telephone Companies	51	9,870,384
J5	Railroad	42	65,714,304

J6	Pipeline Companies	151	56,827,045
J7	Cable Television Companies	4	293,200
J8	Other Types of Utilities	29	49,221,580
L1	Commercial Personal Property	1,261	73,764,938
L2	Industrial Personal Property	267	254,719,295
M1	Mobile Homes	1,815	37,501,293
O	Real Property Inventory	83	2,081,800
S	Special Inventory	23	9,407,529
X	Exempt Property	858	151,823,732

### GENERAL INFORMATION

	2017	2016
Properties Inspected	6,443	4,766
Exemptions Processed	586	592
1-d-1 Applications Processed	706	662

### INQUIRY AND FORMAL PROTEST DATA

	2017	2016
Informal Appeals Processed	402	926
Formal Appeals Processed	1,878	1,635
ARB Decisions	295	310
Settlement & Waivers	1,037	923
Withdrawn Protests	187	214
ARB No Shows	233	160
Arbitration Cases	4	3
Litigation Cases	4	4

### CERTIFIED VALUE FOR ALL JURISDICTIONS

At least 95% of the 2017 appraisal records were not under protest or review by the Appraisal Review Board (ARB) as of July 19, 2017, therefore the ARB approved those records on that date. Certification of the 2017 Appraisal Roll occurred on July 24, 2017 by the Chief Appraiser. Certification statements were provided to each jurisdiction at that time. Copies of each of these documents are available for review at ACAD.

The following table represents the APPROVED values at certification:

	2017		2016	
	Market Value	Taxable Value	Market Value	Taxable Value
Austin County	5,815,862,728	2,900,029,810	5,103,178,522	2,726,106,832
Bellville ISD	3,132,980,892	1,252,811,816	2,829,409,595	1,182,832,774
Sealy ISD	2,261,361,408	1,218,534,558	1,944,632,209	1,141,527,463
Brazos ISD*	272,739,375	107,200,163	197,173,058	97,329,861
Brenham ISD*	42,063,591	13,605,489	39,890,078	11,910,224

Burton ISD*	761,333	240,505	742,019	221,555
Columbus ISD*	91,732,876	45,049,622	77,344,214	38,300,013
City of Bellville	310,149,939	274,403,921	268,536,559	262,403,184
City of Sealy	779,674,617	664,530,112	691,409,289	632,138,957
Town of San Felipe	121,037,381	93,642,644	102,756,591	83,412,524
City of Brazos Country	87,210,421	83,223,115	80,408,552	76,727,931
City of Wallis	70,828,639	54,728,080	56,042,662	50,459,157
Austin Co. ESD #1	537,825,400	330,122,756	460,016,253	307,791,780
Austin Co. ESD #2	1,489,391,757	956,310,550	1,270,816,866	903,629,984
Austin Co. ESD #3	272,677,671	120,870,467	197,322,343	110,920,908
Bellville Hospital Dist.	3,132,918,672	1,204,846,241	2,829,409,595	1,142,913,595

The following table represents the value UNDER REVIEW as of certification:

	2017		2016	
	Market Value	Taxable Value	Market Value	Taxable Value
Austin County	163,399,789	111,793,348	127,683,072	80,262,773
Bellville ISD	65,210,441	36,361,147	69,086,816	39,902,799
Sealy ISD	87,185,335	56,661,919	53,602,889	31,856,475
Brazos ISD*	6,126,563	4,173,729	3,096,330	2,655,109
Brenham ISD*	24,639	24,639	-0-	-0-
Burton ISD*	-0-	-0-	-0-	-0-
Columbus ISD*	4,852,811	3,582,990	1,897,037	747,965
City of Bellville	9,119,027	8,797,244	13,084,711	12,841,070
City of Sealy	34,916,653	28,354,795	23,676,675	16,529,888
Town of San Felipe	12,274,862	9,990,086	2,605,776	2,321,443
City of Brazos Country	4,113,685	4,094,985	5,837,333	5,581,197
City of Wallis	3,859,041	3,558,143	2,692,840	2,560,080
Austin Co. ESD #1	29,730,627	23,327,959	11,515,052	10,214,778
Austin Co. ESD #2	52,698,046	39,397,887	35,467,603	21,002,569
Austin Co. ESD #3	6,126,563	4,767,886	3,096,330	2,911,430
Bellville Hospital Dist.	65,210,441	34,331,689	69,086,816	37,563,054

\*Includes only that portion which is situated in Austin County.

#### AVERAGE VALUE OF SINGLE FAMILY RESIDENCE

	2017		2016	
	Market Value	Taxable Value	Market Value	Taxable Value
Austin County	180,309	164,668	163,290	149,943
Bellville ISD	191,795	159,465	179,774	145,065
Sealy ISD	178,654	110,167	156,449	95,403
Brazos ISD*	111,997	72,999	98,572	61,349
Brenham ISD*	228,414	190,090	209,320	175,200
Burton ISD*	9,601	-0-	9,602	-0-

Columbus ISD*	201,588	149,734		160,602	123,892
City of Bellville	162,914	159,551		157,073	151,933
City of Sealy	149,293	138,335		130,562	123,403
Town of San Felipe	139,407	126,837		124,015	112,504
City of Brazos Country	377,936	376,412		359,297	350,148
City of Wallis	108,806	97,265		94,868	85,324
Austin Co. ESD #1	207,931	191,623		186,441	172,611
Austin Co. ESD #2	162,750	146,136		141,498	131,408
Austin Co. ESD #3	112,159	96,309		98,871	84,990
Bellville Hospital Dist.	191,795	146,338		179,774	133,605

\*Includes only that portion which is situated in Austin County.

### CERTIFIED NEW VALUE FOR ALL JURISDICTIONS

	2017		2016	
	Market Value	Taxable Value	Market Value	Taxable Value
Austin County	59,815,263	56,476,422	52,075,133	49,068,184
Bellville ISD	26,912,242	21,981,935	27,057,623	22,161,058
Sealy ISD	23,089,125	12,095,002	23,089,125	12,095,002
Brazos ISD*	2,122,186	1,447,268	976,723	314,667
Brenham ISD*	1,103,824	1,061,324	418,138	375,738
Burton ISD*	-0-	-0-	-0-	-0-
Columbus ISD*	1,317,794	1,180,294	533,524	414,724
City of Bellville	2,218,324	2,103,824	1,480,887	1,395,887
City of Sealy	28,359,217	15,408,180	6,893,230	6,551,880
Town of San Felipe	2,402,892	2,359,642	843,517	828,517
City of Brazos Country	2,569,339	2,569,339	4,139,591	4,139,591
City of Wallis	795,601	774,601	382,213	361,153
Austin Co. ESD #1	9,898,388	9,518,713	8,190,443	7,922,213
Austin Co. ESD #2	16,175,189	15,118,849	12,152,157	11,178,727
Austin Co. ESD #3	2,122,186	1,951,836	976,723	811,233
Bellville Hospital Dist.	26,912,242	18,470,987	27,057,623	19,437,652

\*Includes only that portion which is situated in Austin County.

### EXEMPTIONS FOR ALL JURISDICTIONS

ACAD is responsible for administering the exemption applications filed by property owners. The following represents the number of exemptions granted (local option and state mandated) and the value lost for 2017 as of certification. A complete list is available at ACAD along with a comparison of the prior year.

	Homestead	Count	Over 65	Count	Disabled Person	Count	Disabled Vet**	Count
Austin County	37,861,782	7,869	20,623,359	3,079	0	0	8,139,558	213
Bellville ISD	86,542,636	3,695	14,816,032	1,554	559,511	72	3,538,874	109
Sealy ISD	195,908,363	3,466	10,685,096	1,132	567,807	71	2,228,928	77



Brazos ISD*	16,558,412	592	1,772,524	191	168,044	20	964,609	18
Brenham ISD*	600,600	28	122,250	11	0	0	0	0
Burton ISD*	19,203	2	0	0	0	0	0	0
Columbus ISD*	2,719,149	116	538,834	59	10,000	1	12,000	1
City of Bellville	0	0	1,917,676	386	0	0	1,176,525	28
City of Sealy	0	0	4,515,333	458	0	0	1,081,721	32
Town of San Felipe	0	0	446,650	96	25,000	6	247,882	8
City of Brazos Country	0	0	0	0	0	0	22,000	2
City of Wallis	0	0	375,000	129	0	0	851,186	13
Austin Co. ESD #1	4,259,772	889	2,117,426	320	0	0	464,765	18
Austin Co. ESD #2	11,348,542	2,341	5,089,991	757	0	0	2,141,441	55
Austin Co. ESD #3	2,760,373	585	1,369,700	211	0	0	1,214,609	18
Bellville Hospital Dist.	135,126,037	3,673	15,456,016	1,611	593,070	75	4,214,743	113

\*Includes only that portion which is situated in Austin County.

\*\*Includes the 100% Disabled Veterans Exemption (Section 11.131(b) of the Property Tax Code) and the Disabled Veteran's or Survivor's Exemption (Section 11.22 of the Property Tax Code)

	Abatements	Count	Pollution Control	Count	Freeport	Count	Other	Count
Austin County	12,364,907	6	8,172,246	5	0	0	175,100	1
Bellville ISD	0	0	140,950	0	0	0	175,100	1
Sealy ISD	0	0	8,031,296	4	0	0	0	0
Brazos ISD*	0	0	0	0	0	0	0	0
Brenham ISD*	0	0	0	0	0	0	0	0
Burton ISD*	0	0	0	0	0	0	0	0
Columbus ISD*	0	0	0	0	0	0	0	0
City of Bellville	0	0	0	0	0	0	175,100	1
City of Sealy	15,192,051	6	7,086,946	3	0	0	0	0
Town of San Felipe	0	0	0	0	0	0	0	0
City of Brazos Country	0	0	0	0	0	0	0	0
City of Wallis	0	0	0	0	0	0	0	0
Austin Co. ESD #1	0	0	0	0	0	0	0	0
Austin Co. ESD #2	0	0	8,031,296	4	16,953,305	3	0	0
Austin Co. ESD #3	0	0	0	0	0	0	0	0
Bellville Hospital Dist.	0	0	140,950	1	0	0	175,100	1

\*Includes only that portion which is situated in Austin County.

## 2017 STATE OF TEXAS OVERSIGHT

### The Property Value Study (PVS)

The PVS is a biennial audit of the Appraisal District's values by the Texas State Comptroller of Public Accounts Property Tax Assistance Division (PTAD). PTAD conducts the PVS to estimate a school district's taxable property value. ACAD underwent a Property Value Study for 2016 and the results released January 31, 2017 indicated that ACAD was outside the confidence interval by approximately 4% for the entire County. Being in year one of the grace period, the school districts chose not to appeal PTAD's determination for 2016. With ACAD being outside the confidence interval for 2016, PTAD conducted another PVS for 2017. The results of the 2017 study released January 30, 2018 indicated that ACAD had achieved a median level of appraisal for 2017. Bellville, Sealy and Brazos ISD's values fell within the confidence interval for 2017. The results can be

found on the Comptroller's website at <https://comptroller.texas.gov/taxes/property-tax/pvs/index.php>. ACAD will undergo another study for 2018, with the results being released at the end of January 2019.

#### Methods and Assistance Program (MAP) Reviews

Property Tax Code Section 5.102 requires that the Comptroller of Public Accounts Property Tax Assistance Division (PTAD) reviews county appraisal district (CAD) governance, taxpayer assistance, operating standards, appraisal standards, and procedures and methodology at least once every two years. ACAD was reviewed for 2017. The report for 2017 was released January 24, 2018, which indicated that ACAD passed all the Mandatory Requirements. ACAD received a "Meets All" rating of 100 in the areas of Governance, Taxpayer Assistance, Operating Procedures, and Appraisal Standards, Procedures and Methodology. A copy of the full report is available for inspection on our website ([www.austincad.org](http://www.austincad.org)), at ACAD's office, or on the Comptroller's website at <https://comptroller.texas.gov/taxes/property-tax/map/2017/index.php>. The next review for ACAD will be conducted for 2019.

#### **LEGISLATIVE CHANGES**

ACAD will continue to administer the new laws that were a result of the 85<sup>th</sup> Legislative session held in 2017. Bills that relate to the property tax system are closely monitored and implemented.

#### **ACAD AND THE FUTURE**

ACAD expects operating expenses to rise in the coming years based on population growth and increased state regulatory mandates.

An additional data entry clerk was added in 2016 to allow for the increased amount of data being processed. Furthermore, with the increased correspondence and the increased volume of communication from owners and agents during the protest season, it was determined that another staff member was needed for 2018. In the fall of 2017, the budget was amended to accommodate this position.

It is ACAD's intention to continue with the implementation of an in house scanning project of certain documents in the property files to provide more office space by reducing filing cabinets.

An aerial imagery project was completed in January 2017. ACAD will review the need for future aerial imagery each year during the budget process. While technology can assist ACAD in locating and evaluating new properties and changes to existing property, a personal inspection is ultimately necessary.

#### Population Growth

The estimated population for Austin County as of January 1, 2016 was 29,107 according to the United States Census Bureau's 2012-2016 American Community Survey 5-Year Estimate. 2017 information was not available as of the date of this report. From 2000 through 2010, the population of Austin County increased from 23,590 to 28,417 – a 20.46% increase. At the same

rate of migration, the Austin County population is expected to reach approximately 36,542 by 2020.

*(Data retrieved February 15, 2018 from [https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml#](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml#) and <http://demographics.texas.gov/Data/TPEPP/Projections/>)*

Population growth, in turn, brings new dwellings and increased business activity. In fact, the United States Census Bureau, in their 2012-2016 American Community Survey 5-Year Estimates, indicates that there were approximately 13,005 housing units in Austin County, with 2,797 being built between 2000 and 2009, 444 being built in between 2010 and 2013, and 119 being built in 2014 or later.

*(Retrieved February 15, 2018 from [https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml))*

Please contact the appraisal district if you have any questions regarding this report at:

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