

# 2018 Annual Report

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Greg Cook, Chief Appraiser

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 36,807 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 2018**

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 16 full-time employees during 2018 with the following classifications:

- 1 Administrative Professionals
- 5 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 under 37,000 parcels. The following represents a summary of property types appraised by the district for 2018:

<b>PTAD Classification</b>	<b>Property Type</b>	<b>Parcel Count</b>	<b>Market Value</b>
A	Single Family	7,851	1,345,597,604
B	Multi-Family	102	26,529,652
C	Vacant Lots	1,486	26,220,889
D1	Qualified Ag Land	8,734	2,925,572,088
D2	Farm/Ranch Improvements on Qualified Ag Land	1,057	10,434,987
E1	Residential Farm/Ranch Improvements on Qualified Ag Land	4,031	840,550,335
E2	Manufactured Housing on Qualified Ag Land	433	13,431,219
E3	Non-Qualified Ag Land	744	55,581,734
E4	Miscellaneous Improvements on Non-Ag Land	15	253,328
F1	Commercial Real Property	886	242,900,473
F2	Industrial Real Property	78	116,882,384
G1	Oil & Gas	12,209	12,329,610
J1	Water Systems	1	8,906
J2	Gas Distribution Systems	3	119,520
J3	Electric Companies	58	39,351,474
J4	Telephone Companies	53	9,872,385
J5	Railroad	43	71,111,811

J6	Pipeline Companies	155	93,136,263
J7	Cable Television Companies	4	484,860
J8	Other Types of Utilities	31	83,104,900
J9	Railroad Rolling Stock	1	2,190
L1	Commercial Personal Property	1,250	77,238,503
L2	Industrial Personal Property	282	286,398,915
M1	Mobile Homes	1,861	39,928,963
O	Real Property Inventory	66	2,197,109
S	Special Inventory	25	10,109,405
X	Exempt Property	925	167,433,953

### GENERAL INFORMATION

	2018	2017
Properties Inspected	6230	6,443
Exemptions Processed	715	586
1-d-1 Applications Processed	725	706

### INQUIRY AND FORMAL PROTEST DATA

	2018	2017
Informal Appeals Processed	588	402
Formal Appeals Processed	1,745	1,878
ARB Decisions	317	295
Settlement & Waivers	980	1,037
Withdrawn Protests	246	187
ARB No Shows	162	233
Arbitration Cases	6	4
Litigation Cases	6	4

### CERTIFIED VALUE FOR ALL JURISDICTIONS

At least 95% of the 2018 appraisal records were not under protest or review by the Appraisal Review Board (ARB) as of July 20, 2018, therefore the ARB approved those records on that date. Certification of the 2018 Appraisal Roll occurred on July 20, 2018 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:

	2018		2017	
	Market Value	Taxable Value	Market Value	Taxable Value
Austin County	6,376,688,160	3,184,612,224	5,815,862,728	2,900,029,810
Bellville ISD	3,431,916,259	1,351,604,911	3,132,980,892	1,252,811,816
Sealy ISD	2,494,845,035	1,368,400,506	2,261,361,408	1,218,534,558
Brazos ISD*	291,550,676	118,324,037	272,739,375	107,200,163

Brenham ISD*	46,137,264	14,515,562		42,063,591	13,605,489
Burton ISD*	761,340	239,340		761,333	240,505
Columbus ISD*	96,242,686	49,268,442		91,732,876	45,049,622
City of Bellville	323,604,131	284,236,734		310,149,939	274,403,921
City of Sealy	893,049,800	765,793,260		779,674,617	664,530,112
Town of San Felipe	126,723,625	99,648,003		121,037,381	93,642,644
City of Brazos Country	95,638,689	89,677,430		87,210,421	83,223,115
City of Wallis	75,340,759	60,336,918		70,828,639	54,728,080
Austin Co. ESD #1	587,403,414	363,749,356		537,825,400	330,122,756
Austin Co. ESD #2	1,642,765,330	1,074,694,131		1,489,391,757	956,310,550
Austin Co. ESD #3	291,504,865	132,519,342		272,677,671	120,870,467
Bellville Hospital Dist.	3,431,608,653	1,294,321,946		3,132,918,672	1,204,846,241

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

	2018			2017	
	Market Value	Taxable Value		Market Value	Taxable Value
Austin County	140,095,397	92,184,180		163,399,789	111,793,348
Bellville ISD	83,070,327	46,259,352		65,210,441	36,361,147
Sealy ISD	51,654,815	35,682,862		87,185,335	56,661,919
Brazos ISD*	2,853,611	1,613,557		6,126,563	4,173,729
Brenham ISD*	800,767	401,214		24,639	24,639
Burton ISD*	-0-	-0-		-0-	-0-
Columbus ISD*	1,715,877	865,646		4,852,811	3,582,990
City of Bellville	13,874,155	13,651,650		9,119,027	8,797,244
City of Sealy	19,646,151	18,819,587		34,916,653	28,354,795
Town of San Felipe	4,808,306	4,548,141		12,274,862	9,990,086
City of Brazos Country	7,198,258	6,961,763		4,113,685	4,094,985
City of Wallis	1,271,160	1,226,595		3,859,041	3,558,143
Austin Co. ESD #1	16,549,835	14,903,895		29,730,627	23,327,959
Austin Co. ESD #2	31,870,003	25,182,871		52,698,046	39,397,887
Austin Co. ESD #3	2,853,611	1,910,313		6,126,563	4,767,886
Bellville Hospital Dist.	82,954,637	43,648,635		65,210,441	34,331,689

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

#### AVERAGE VALUE OF SINGLE FAMILY RESIDENCE

	2018			2017	
	Market Value	Taxable Value		Market Value	Taxable Value
Austin County	190,203	176,382		180,309	164,668
Bellville ISD	204,230	172,215		191,795	159,465
Sealy ISD	187,302	119,446		178,654	110,167
Brazos ISD*	113,632	79,221		111,997	72,999
Brenham ISD*	311,478	261,514		228,414	190,090

Burton ISD*	9,601	-0-		9,601	-0-
Columbus ISD*	205,120	165,945		201,588	149,734
City of Bellville	175,700	170,051		162,914	159,551
City of Sealy	152,770	145,168		149,293	138,335
Town of San Felipe	137,708	133,124		139,407	126,837
City of Brazos Country	406,872	397,372		377,936	376,412
City of Wallis	107,671	101,566		108,806	97,265
Austin Co. ESD #1	220,609	207,110		207,931	191,623
Austin Co. ESD #2	169,357	155,259		162,750	146,136
Austin Co. ESD #3	113,979	102,651		112,159	96,309
Bellville Hospital Dist.	204,230	156,566		191,795	146,338

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

### CERTIFIED NEW VALUE FOR ALL JURISDICTIONS

	2018		2017	
	Market Value	Taxable Value	Market Value	Taxable Value
Austin County	66,299,465	62,622,877	59,815,263	56,476,422
Bellville ISD	29,294,275	24,168,618	26,912,242	21,981,935
Sealy ISD	32,579,693	18,534,102	23,089,125	12,095,002
Brazos ISD*	2,859,743	1,869,267	2,122,186	1,447,268
Brenham ISD*	1,005,975	1,005,975	1,103,824	1,061,324
Burton ISD*	-0-	-0-	-0-	-0-
Columbus ISD*	559,779	405,279	1,317,794	1,180,294
City of Bellville	1,440,845	1,278,395	2,218,324	2,103,824
City of Sealy	15,237,765	14,861,565	28,359,217	15,408,180
Town of San Felipe	613,819	576,969	2,402,892	2,359,642
City of Brazos Country	1,483,794	1,476,294	2,569,339	2,569,339
City of Wallis	1,274,485	1,118,615	795,601	774,601
Austin Co. ESD #1	4,747,105	4,467,315	9,898,388	9,518,713
Austin Co. ESD #2	24,916,894	23,657,444	16,175,189	15,118,849
Austin Co. ESD #3	2,859,743	2,474,555	2,122,186	1,951,836
Bellville Hospital Dist.	29,294,275	19,590,776	26,912,242	18,470,987

\*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 2018 as of certification. A complete list is available at ACAD along with a comparison of the prior year.

	Homestead		Over 65		Disabled Person		Disabled Vet**	
	Count	Count	Count	Count	Count	Count	Count	
Austin County	38,017,003	7,980	21,410,780	3,231	0	0	9,584,210	228
Bellville ISD	86,888,480	3735	15,469,141	1638	524,136	64	4,176,078	114



Sealy ISD	208,294,778	3546	11,346,989	1,208	521,636	65	2,565,645	82
Brazos ISD*	16,749,159	596	1,915,548	207	178,077	21	1,261,150	23
Brenham ISD*	572,534	25	120,330	10	0	0	0	0
Burton ISD*	19,203	2	0	0	0	0	0	0
Columbus ISD*	2,688,848	114	540,808	59	10,000	1	12,000	1
City of Bellville	0	0	1,985,781	401	0	0	1,073,027	31
City of Sealy	0	0	4,657,898	478	0	0	1,108,563	33
Town of San Felipe	0	0	454,150	101	15,000	3	346,364	9
City of Brazos Country	0	0	0	0	0	0	22,000	2
City of Wallis	0	0	390,000	135	0	0	1,186,858	15
Austin Co. ESD #1	4,297,916	906	2,158,416	332	0	0	576,954	19
Austin Co. ESD #2	11,416,716	2,382	5,303,927	797	0	0	2,469,551	60
Austin Co. ESD #3	2,734,473	586	1,430,974	220	0	0	1,607,873	23
Bellville Hospital Dist.	145,135,506	3,711	15,992,817	1,687	552,508	66	4,837,823	118

\*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	10,418,635	5	21,270,701	5	0	0	545,875	2
Bellville ISD	0	0	140,950	1	0	0	495,875	2
Sealy ISD	0	0	21,129,751	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	215,115	1
City of Sealy	10,418,635	5	20,162,671	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	21,129,751	4	18,138,568	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	545,875	2

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

## 2018 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 2017 and the results released January 31, 2018 indicated that ACAD was within the confidence interval for the entire County. 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 2018 PVS results indicate all three school districts

fall within the confidence interval. 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 2020, with the results being released at the end of January 2021.

#### 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 beginning April 2019. The results will be released by January 31, 2020.

#### **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. Changes indicated by the 86<sup>th</sup> Legislative session held in 2019, will be implemented in September, if applicable. 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.

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. Staffing needs were reviewed during the 2019 budgetary process, and an additional appraiser's position was added. Upon the arrival of the new chief appraiser in the fall of 2018, positions were reassigned, filling the appraiser's position and a data entry clerk was hired effective January 2019.

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. In 2018, ACAD reviewed the need for additional aerial imagery during the budget process. ACAD is now on a 2-year flight plan. While technology can assist ACAD in locating and evaluating new properties and changes to existing property, a personal inspection is ultimately necessary.

In December 2018, the Board of Directors appointed a committee, including two board members and the chief appraiser, to begin the process of researching different Computer Automated Mass

Appraisal systems, due to the current minimum support and lack of technological advances of the current system. Implementation of a new system is planned to be in place for the 2020 appraisal year.

### Population Growth

The estimated population for Austin County as of July 1, 2017 was 29,786 according to the United States Census Bureau's 2017 Population Estimate. 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 January 31, 2019 from [https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml#](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml#)).*

Population growth, in turn, brings new dwellings and increased business activity. In fact, the United States Census Bureau, in their 2013-2017 American Community Survey 5-Year Estimates, indicates that there were approximately 13,132 housing units in Austin County, with 2,705 being built between 2000 and 2009, 402 being built in between 2010 and 2013, and 270 being built in 2014 or later.

*(Retrieved January 31, 2019 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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