

Brazoria County Appraisal District

Annual Report 2017



Mission Statement

Our mission as public servants is to demand excellence in the services provided to the taxpayers and taxing jurisdictions of Brazoria County. The district's goal is to efficiently and timely produce an accurate, complete and equitable appraisal roll. The intent of the policies and procedures of the district is to bring about the highest possible degree of understanding, cooperation, dependability, flexibility and functionality while managing critical data in dynamic situations.

Purpose

The Brazoria County Appraisal District (BCAD) has prepared this report to provide Brazoria County citizens and taxing jurisdictions with a better understanding of the district's annual responsibilities and activities. This report includes a general introduction, statistical breakdown of parcels, protests, etc., a ratio profile of the county, and the most recent Property Value Study conducted by the Texas State Comptroller.

How Does the System Work?

There are three main parts to the property tax system in Texas:

- An *appraisal district* in each county sets the value of taxable property each year. The *chief appraiser* is the appraisal district's chief administrator and is responsible to a board of directors for its operation.
- An *appraisal review board (ARB)* settles any disagreements between you and the appraisal district about the value of your property.
- Local *taxing units*, including the county, cities, school districts, and special districts, decide how much money they will spend each year. This in turn determines the tax rates they need to set and the total amount of taxes that you and your neighbors pay.

The system has four stages: valuing the taxable property, protesting the values, adopting the tax rates, and collecting the taxes.

January 1 marks the beginning of property appraisal. What a property is used for on January 1, market conditions at the time, and who owns the property on that date, determine whether the property is taxed, the value, qualifications for exemptions, and who is responsible for paying the tax.

Between January 1 and April 30, the appraisal district processes applications for tax exemptions, agricultural and timber appraisals, and other tax relief. By law, beginning April 1, the ARB begins hearing protests from property owners who believe their property values are incorrect, or who feel they were improperly denied an exemption or agricultural/timber appraisal. The ARB is an independent panel of citizens responsible for handling protests about the appraisal district's work. When the ARB finishes its work, the chief appraiser gives each taxing unit a list of taxable property known as the appraisal roll.

Usually in September or October, the elected officials of each taxing unit adopt tax rates for their operations and debt payments. Typically, each property is taxed by several taxing units. For example, every property in Brazoria County is taxed by both the county and a school district. Taxes may also be payable to a city or special district, including such entities as municipal utility districts, rural fire protection districts, junior college districts, and others.

Tax collection starts in October and November as tax bills go out. Taxpayers have until January 31 of the following year to pay their taxes. On February 1, penalty and interest charges begin accumulating on most unpaid tax bills. Taxing units may start legal action to collect unpaid property taxes once they become delinquent.

Introduction

The Brazoria County Appraisal District (BCAD) is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A member board of directors, appointed by the taxing units within the boundaries of Brazoria County, constitutes the district's governing body. The chief appraiser, appointed by the board of directors, is the chief administrator and chief executive officer of the appraisal district. In 2017 the chief appraiser reported to the board of directors.

Title	Member	Area
Chairperson	Glenn W Slayer	Sweeny, Columbia-Brazoria
Vice-Chairperson	Gail Robinson	Brazosport
Secretary	Rubye Jo Knight	Pearland
Member	Susan Spoor	Angleton
Member	Tommy King	Alvin
Tax Assessor- Collector	Ro'Vin Garrett	Brazoria County

A list of members for the district's agricultural advisory board and appraisal review board can be found at <http://www.brazoriacad.org/agricultural-advisory-board.html> and <http://www.brazoriacad.org/appraisal-review-board-arb.html>.

The appraisal district is responsible for local property tax appraisal and exemption administration for 64 jurisdictions or taxing units in the county. Each taxing unit, such as the county, a city, school district, municipal utility districts, 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. Appraisals established by the appraisal district allocate the year's tax burden on the basis of each taxable property's January 1st market value. The appraisal district also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled veterans, and charitable and religious organizations.

The appraised value of real estate is calculated using specific information about each property. Using computer-assisted appraisal programs and recognized appraisal methods and techniques, the appraisal staff compares that information with the data for similar properties, and with recent market data. The district 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 Practice (USPAP) to the extent they are applicable. In cases where the appraisal district contracts for professional valuation services, the contract that is entered into by each appraisal firm requires adherence to similar professional standards.

Except as otherwise provided by the Texas Property Tax Code, all taxable property is appraised at its “market value” as of January 1. Under the tax code, “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 buyer 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
- both the seller and buyer seek to maximize their gains and neither is in position to take advantage of the exigencies of the other

The Property Tax Code defines special appraisal provisions for the valuation of residential homestead property (Sec. 23.23), productivity (Sec. 23.41), real property inventory (Sec. 23.12), dealer inventory (Sec. 23.121, 23.124, 23.1241 and 23.127), nominal (Sec.23.18) or restricted use properties (Sec. 23.83), and allocation of interstate property (Sec. 23.03). The owner of real property inventory may elect to have the inventory appraised at its market value as of September 1st of the year proceeding the tax year to which the appraisal applies by filing an application with the chief appraiser requesting that the inventory be appraised as of September 1st.

The Texas Property Tax Code, under Sec. 25.18, requires each appraisal office to implement a plan to update appraised values for real property at least once every three years. The district's current policy is to conduct a general reappraisal of real property every three (3) years. However, appraised values are reviewed annually and are subject to change for purposes of equalization and achieving market value as prescribed under state law. Personal property renditions are required by law and accepted by the district annually.

Personnel Resources

The Office of the Chief Appraiser is primarily responsible for overall planning, organizing, staffing, coordinating, and controlling of district operations. The Administration Department's function is to plan, organize, direct and control the business support functions related to human resources, budget, finance, records management, purchasing, fixed assets, facilities and postal services. The Appraisal Department is responsible for the valuation of all real and personal property accounts. The appraisal divisions include commercial, residential, business personal, and industrial. The district's appraisers are subject to provisions of the Property Taxation Professional Certification Act and must be duly registered with The Texas Department of Licensing and Regulation.

The preliminary budget is presented to the board of directors and entities by June 15th each year and a public hearing is held prior to adoption in September. Financial statements are audited annually and the financial results of the Brazoria County Appraisal District reflect the focus on conservative fiscal stewardship utilizing resources in an effective manner.

For 2017 there were 59 employees with a total budget of \$5,256,630. The district maintained records covering 222,241 parcels totaling \$44,036,989,757 in market value and \$27,838,487,549 in taxable value. This equates to a \$23.65 per parcel compared to \$22.46 in 2016, \$21.52 in 2015, and \$20.13 in 2014.

2017 County Data

BCAD has eight school districts within the county boundaries. The following list shows how many parcels each school district has.

- Angleton ISD:
 - Approximately 9,900 improved residential parcels
 - Approximately 700 improved commercial parcels
 - Approximately 9,400 unimproved land parcels
- Pearland ISD:
 - Approximately 29,100 improved residential parcels
 - Approximately 1,100 improved commercial parcels
 - Approximately 3,000 unimproved land parcels
- Alvin ISD:
 - Approximately 29,900 improved residential parcels
 - Approximately 1,400 improved commercial parcels
 - Approximately 10,100 unimproved land parcels
- Brazosport ISD:
 - Approximately 19,100 improved residential parcels
 - Approximately 1,400 improved commercial parcels
 - Approximately 8,200 unimproved land parcels
- Danbury, Damon, Sweeney, and Columbia Brazoria:
 - Approximately 11,900 improved residential parcels
 - Approximately 700 improved commercial parcels
 - Approximately 15,600 unimproved land parcels

BCAD appraises approximately 6,700 personal property manufactured homes and 11,900 lease and business personal property accounts; BCAD also maintains approximately 3,400 industrial accounts through contracted appraisal services. An allocation of appraisal staff to parcel ratio is submitted annually to the chief appraiser for consideration.

Cities are Alvin, Angleton, Brazoria, Village of Brookside, Clute, Danbury, Freeport, Holiday Lakes, City of Iowa Colony, Hillcrest Village, Jones Creek, Lake Jackson, Liverpool, Manvel, Oyster Creek, Pearland, Quintana, Richwood, Village of Surfside, Sweeny and West Columbia. A list of all taxing jurisdictions and their respective exemptions and tax rates for 2017 are found at: <http://www.brazoriacad.org/2017-tax-rates.html>.

Requirements and Responsibilities

The Texas Property Tax Code governs the legal, statutory and administrative requirements of appraisal districts. A board of directors appointed by the taxing units constitutes the district's governing body.

Each appraisal district is required to determine the market value of taxable property and the prescribed equalization. They must comply with mass appraisal standards of the national Uniform Standards of Professional Appraisal Practices (USPAP).

Appraisal Districts DO NOT set tax rates or the amount of taxes owed.

Appraisal Results

The appraisal function for Brazoria County Appraisal District is divided into four departments – Residential Commercial, Business Personal Property and land. Industrial and mineral appraisals are contracted through an outside agency. BCAD has 29 registered appraisers of which 16 have attained the Registered Professional Appraiser (RPA) state designation.

Approximately 5,510 land accounts were reappraised which is about 1,370 parcels per appraiser assigned

Approximately 13,690 residential accounts were reworked or about 1,140 per appraiser assigned (this number included 3,857 mobile home accounts)

Approximately 2,560 commercial accounts were worked which is 510 parcels per appraiser assigned

Approximately 6,120 personal property accounts were reworked which is 770 per appraiser assigned.

A mass appraisal report is completed in compliance with USPAP Standard Rule 6-8 and is compliant with USPAP Standard Rule 6-9. The reappraisal plan, mass appraisal report, and annual report together provide the public an overall understanding of the full appraisal process. Whereas, each document stands alone, all three must be considered in relaying the district's completion of the property tax year and the mandated requirements.

Fieldwork Reappraisal – includes inspection of properties that typically include remodels, repairs, demolitions generated from permits and properties flagged for re-inspection. Properties are cycled through a three-year reappraisal process. New construction, sold properties and/or properties that were the subject of appeal are also part of the field inspection process.

In-House Reappraisal – is based on those market areas and properties that have been targeted to be revalued including, but not exclusive to concentrations of protests, sales, and/or low ratios. The reappraisal in most of these areas can be accomplished utilizing digital aerial photography, street view photography, and statistical data. These are tools recognized and accepted by the International Association of Assessing Officers (IAAO).

Income producing properties are reevaluated annually by development of income models for the mass appraisal of major property types such as office, retail, apartments, and hotels.

Reappraisal Results

Approximately 60,500 residential properties saw an average 5-7% increase in 2017 which was a decline overall from 2016 – this decline is attributed to the effects in market value after the June 2016 flood.

The approximate 5,600 commercial properties were certified at about \$641 million more in value for 2017, mostly attributable to new construction.

Approximately 3,900 accounts with agricultural appraisals were worked for 2017. This limited number is attributed to the June 2016 flood and subsequent displacement of livestock and destruction of crops.

Appeal Data

In accordance with the Texas Property Tax Code, Section 41.44, a property owner and/or authorized tax consultant may file an appeal with the appraisal review board of Brazoria County. The district schedules these appeals for informal meetings with appraisal staff and unresolved appeals are scheduled for formal hearings with the ARB. The ARB members are independent of the district and are empowered to hear all of the protests of value and any issues that affect the tax liability of the property and to equalize values. The protest process begins on April 1 and concludes with the certification of the appraisal roll to the 75 taxing entities of Brazoria County. The ARB is a quasi-judicial body appointed by the county's district administrative judge.

Year	Notices	Protests	Informals	Formals
2006	135,011	24,607	23,286	1,321
2007	139,324	25,294	24,422	872
2008	125,367	20,534	19,519	1,015
2009	109,049	27,786	26,572	1,214
2010	152,803	22,788	20,187	2,601
2011	112,472	20,428	17,754	2,674
2012	132,925	20,606	17,795	2,811
2013	118,536	19,282	16,768	2,514
2014	153,749	23,045	20,760	2,285
2015	162,334	27,927	24,566	3,361
2016	176,065	37,895	33,110	3,409
2017	159,950	31,286	28,187	3,099

Of the 3,099 protests scheduled for a formal hearing with the appraisal review board in 2017, only 218 were attended by the taxpayer.

After the equalization phase, commonly called protest season, the chief appraiser certified the tax roll and submitted the roll to the taxing jurisdictions within the boundaries of Brazoria County. The total market value certified by the chief appraiser for 2017 was \$44,036,989,757, in 2016 the certified total was \$38,552,659,493, in 2015 the total was \$33,561,814,337, and in 2014 it was \$31,111,542,742

To view the full 2017 certified totals go to: http://www.brazoriacad.org/uploads/1/2/9/0/12902727/2017_totals.pdf

Recognized Achievements

Property Value Study

The Brazoria County Appraisal District was part of the bi-annual Property Value Study (PVS) conducted by the Texas State Comptroller's office in 2016. The results were reported in March of 2017. The passing ratio is between 95-105%. The district was at 99% overall in the county. The PVS has two functions for school funding purposes:

- 1) to assess the median level of appraisal for each CAD
- 2) to determine if the values are at or near market value.

The district will participate in the 2018 PVS. To view the 2014 study or any previous studies go to:

<https://comptroller.texas.gov/taxes/property-tax/pvs/index.php>

Methods Assistance Program

In 2017 the comptroller's office recognized BCAD with a rating of EXCEEDS during the bi-annual Methods and Assistance Program review (MAP). The MAP review checks and ensures that all districts are compliant with the IAAO and standards adopted in the tax code and guidelines from the Property Tax Assistance Division of the state comptroller's office.

Texas has 253 appraisal districts. BCAD is among 41 that are considered Tier 1 – more than \$5 billion in value. BCAD receiving the highest level of scoring was determined after evaluating the district's governance, taxpayers' assistance, operating procedures, and appraisal standards. The district will undergo another review in 2019. To view the full 2017 report, go to this website:

<https://comptroller.texas.gov/taxes/property-tax/map/index.php>

Verification

**STATE OF TEXAS COUNTY
OF BRAZORIA**

BEFORE ME the undersigned Notary Public, on this day personally appeared, Cheryl Evans, who being duly sworn on his oath by me deposed as follows:

“My name is Cheryl Evans. I am the Chief Appraiser for the Brazoria County Appraisal District. I am fully competent to make this affidavit and duly authorized to answer on behalf of the Brazoria County Appraisal District.

I have made or caused to be made a diligent inquiry to ascertain all property in the district subject to appraisal by me. I have read the foregoing 2017 Annual Report and verify that the information are known to me and are the public records of the District. I further verify that such information is within my knowledge or within the knowledge of individuals under my supervision or delegated by me to be familiar with such information, and is true and correct.”

Cheryl Evans

SUBSCRIBED AND SWORN TO ME on the day of,
2017 to certify which witness my hand and official seal.

NOTARY PUBLIC in and for the State of Texas



Verification

STATE OF TEXAS COUNTY OF BRAZORIA

BEFORE ME the undersigned Notary Public, on this day personally appeared, Cheryl Evans, who being duly sworn on his oath by me deposed as follows:

“My name is Cheryl Evans. I am the Chief Appraiser for the Brazoria County Appraisal District. I am fully competent to make this affidavit and duly authorized to answer on behalf of the Brazoria County Appraisal District.

I have made or caused to be made a diligent inquiry to ascertain all property in the district subject to appraisal by me. I have read the foregoing 2017 Annual Report and verify that the information are known to me and are the public records of the District. I further verify that such information is within my knowledge or within the knowledge of individuals under my supervision or delegated by me to be familiar with such information, and is true and correct.”

Cheryl Evans

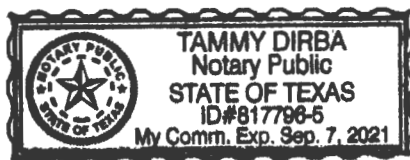
Cheryl Evans

30th

November

SUBSCRIBED AND SWORN TO ME on the day of,

2017 to certify which witness my hand and official seal.



Tammy Dirba

NOTARY PUBLIC in and for the State of Texas