

# **2018 ANNUAL REPORT**



## **WALLER COUNTY APPRAISAL DISTRICT**

## **Introduction**

The Waller County Appraisal District is a political subdivision of the State of Texas created by the Texas Legislature in 1979. The operations of the district are governed by the Constitution of the State of Texas, the Texas Property Tax Code, and the rules of the Texas Comptroller's Property Tax Assistance Division.

The Waller County Appraisal District is responsible for the appraisal of all property in Waller County for ad valorem purposes and the administration of all local option and State mandated property tax exemptions. The Waller County Appraisal District has a high commitment to customer service. We strive to serve Waller County with professionalism and integrity in all aspects of our operations. In 2018, Waller County Appraisal District once again successfully certified a timely and accurate appraisal roll.

## **Mission**

The mission of the Waller County Appraisal District is to discover, list and appraise all property located within the boundaries of the district in an accurate, ethical and impartial manner in an effort to estimate the market value of each property and achieve uniformity and equity. This will be accomplished by maintaining the highest standards in appraisal practices by retaining personnel who are professional and knowledgeable and operate under the standards of:

- The Property Tax Assistance Division of the Texas Comptroller's Office (PTAD)
- The International Association of Assessing Officers (IAAO)
- The Uniform Standards of Professional Appraisal Practice (USPAP)

## **Governance**

The Appraisal District operations are governed by the Board of Directors whose members are elected by the voting taxing units every two years. The Board's primary responsibilities are:

- Appoint the Chief Appraiser
- Adopt the District's annual operating budget
- Contract for necessary services; Complying with the competitive bidding requirement established by law.
- Appoint the Appraisal Review Board
- Adopt a Biennially written plan for the periodic reappraisal of all property within the appraisal district office
- Make general policies on the appraisal district's operation

To be eligible to serve on the Board of Directors, a person must have resided within the boundaries of the county for at least two years prior to their appointment. Their terms are not staggered and there are no legal limits to the number of terms a board member can serve.

2018 Board of Directors includes:

Royce Rape – Chairman of the Board  
Michael Glover – Secretary of the Board  
Jimmy Henderson  
Roosevelt Alexander  
John Amsler  
Ellen Shelburne – Waller County Tax Collector

The Chief Appraiser is the chief administrator of the appraisal district and is appointed by the Board of Directors. The Chief Appraiser must be licensed as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulation, or possess an MAI professional designation from the Appraisal Institute, or possess an Assessment Administration Specialist (AAS), Certified Assessment Evaluator (CAE or Residential Evaluation Specialist (RES) professional designation from the International Association of Assessing Officers.

The Appraisal Review Board (ARB) consists of four members appointed by the Board of Directors. Members of the ARB serve two-year staggered terms and are limited by law to serving three consecutive two-year terms. To be eligible to serve on the ARB, an individual must be a resident of the district and must have resided in the district for at least two years. Board members are also required to attend annual training classes to be eligible to serve in any given year.

The Appraisal Review Board responsibilities are:

- Determining protests initiated by property owners
- Determining challenges initiated by taxing units
- Correcting clerical errors in the appraisal records and the appraisal rolls
- Acting on motions to correct appraisal rolls under Section 25.25 of the Property Tax Code
- Determining whether exemptions and special appraisals are improperly granted and;
- Taking other actions or making other determinations authorized by the Property Tax Code

2018 Appraisal Review Board Members include:

Jay Foucheux – Chairman  
Jim Sette – Secretary  
Jo VanWinkle

John Schild

The Agricultural Advisory Board is a three member board appointed by the Chief Appraiser with the advice and consent of the Board of Directors. The responsibility of the Agricultural Advisory Board is to advise the Chief Appraiser on the valuation and use of land that may be designated for open-space agricultural valuation within the district's boundaries and to assist in determining typical practices and standards used in various farming operations. The board serves at the will of the Chief Appraiser.

2018 Agricultural Advisory Board members include:

Thomas Paben – Chairman  
 Raymond Dollins - Secretary  
 David Groschke

The Waller County Appraisal District is responsible for appraising all properties for each of the following Taxing Jurisdictions that are within the boundaries of Waller County. Below are the market and net taxable values for 2018.

<u>Taxing Unit</u>	<u>Market Value</u> <i>(Before Exemptions)</i>	<u>Net Taxable Value</u> <i>(After Exemptions)</i>
City of Brookshire	\$328,203,575	\$287,447,474
City of Hempstead	\$307,265,424	\$251,754,884
City of Katy	\$825,204,827	\$695,422,001
City of Prairie View	\$418,734,793	\$133,896,165
City of Waller	\$273,071,827	\$228,489,056
Hempstead ISD	\$1,477,942,107	\$534,590,217
Katy ISD	\$1,591,127,583	<b>M &amp; O</b> \$1,275,633,376
<b>Did not meet ECO requirement in 2018</b>		<b>I &amp; S</b> \$1,275,633,376
Royal ISD	\$2,308,624,233	<b>M &amp; O</b> \$1,156,676,885
		<b>I &amp; S</b> \$1,181,074,595
Waller ISD	\$3,261,067,531	\$1,514,906,825
BK Drainage Dist	\$3,151,177,262	\$2,229,211,775
Waller-Harris ESD 200	\$7,812,903,751	\$4,242,802,651
Willow Creek Farms MUD	\$251,034,408	\$234,188,218
Waller Co Road Imp Dist #1	\$110,199,607	\$85,621,739
Harris Waller MUD #2	\$43,831,370	\$43,761,489
Ft Bend Waller Co MUD #2	\$155,785,241	\$142,258,837
Willow Point MUD	\$8,230,430	\$14,710
Brookshire Water District	\$321,317,846	\$29,539,856

Waller County	\$8,644,422,308	\$4,358,005,558
Harris-Waller Counties MUD #3	\$215,205,348	\$207,723,576
Waller County Improvement District #2	\$124,485,741	\$81,231,040
Ft Bend Waller Co MUD #3	\$13,236,866	\$2,369,967
Kickapoo Fresh Water Supply District	\$13,143,497	\$12,313,929
Fulsher MUD 3A	\$4,479,152	\$4,058,622

## Property Types Appraised

For 2018 the Waller County Appraisal District has approximately 42,049 parcels. The following is a summary of those parcels:

Classification	Property Type	Parcel County	Market Value
A	Single Family Residence	12,473	\$1,930,722,264
B	Multifamily Residence	278	\$62,983,030
C	Vacant Lots	8,219	\$228,923,131
D1	Qualified Ag Land	6,138	\$2,768,756,680
D2	Non Qualified Land	2,211	\$56,775,848
E	Farm & Ranch Imp	5,668	\$1,039,388,940
F1	Commercial Real Property	1,197	\$613,069,006
F2	Industrial Real Property	120	\$305,132,623
G1	Oil and Gas	3405	\$16,460,052
G3	Minerals Non-Producing	26	\$48,079
J1	Water Systems	12	\$796,330
J2	Gas Distribution System	28	\$3,890,640
J3	Electric Company	63	\$31,000,000
J4	Telephone Company	168	\$15,204,770
J5	Railroad	71	\$27,966,500

J6	Pipeline Company	154	\$90,300,820
J7	Cable Television Company	26	\$6,990,340
J8	Other Type of Utility	1	\$6,710
L1	Commercial Personal Prop	1980	\$616,626,460
L2	Industrial Personal Property	60	\$18,044,760
M1	Tangible Other Personal, MH	1796	\$30,558,270
S	Special Inventory Tax	18	\$12,097,950
X	Totally Exempt Property	3,560	\$599,012,607

## Exemption Data

The Waller County Appraisal District is responsible for the administration of all property tax exemptions granted. The most common exemption a property owner qualifies for is the Homestead Exemption. These exemptions include mandated homestead exemptions, optional homestead exemption, over-65 exemptions, disability exemptions, disabled veteran exemptions and 100% disabled exemptions. In order to qualify for the Homestead Exemptions the property owner must own and reside in the residence on January 1 and the owner or spouse claims no other Homestead Exemption. In January of each year the district mails Homestead Exemption applications to property owners who may qualify for this exemption. The application must be completed and returned to the district by April 30<sup>th</sup>. A property owner who turns 65 any time during the year qualifies for the Over 65 exemption and can apply for the exemption anytime during the year after the property owner turns 65. A property owner may file a late homestead application if it is filed no later than two years after the taxes become delinquent.

	TAXING JURISDICTIONS	HS/OP	HS/ST	X65/ST	DIS/ST	X65/OP	DIS/OP
County	Waller County	20%*				25,000	25,000
	Waller County FM	20%*	3,000			22,000	22,000
ISD's	Hempstead ISD		25,000	10,000	10,000		
	Katy ISD		25,000	10,000	10,000	10,000	
	Royal ISD	1%*	25,000	10,000	10,000		
	Waller ISD		25,000	10,000	10,000		
	City of Hempstead					30,000	

Cities	City of Katy	20%*				90,000	90,000
	City of Brookshire					3,000	3,000
	City of Prairie View					5,000	5,000
	City of Waller					20,000	20,000
Other Entities	Brookshire-Katy Drainage District					20,000	20,000
	Waller-Harris ESD 200					50,000	50,000
	Willow Creek Farms MUD						
	Waller County Rd. Imp Dist. #1						
	Ft Bend-Waller County MUD #2						
	Kickapoo Fresh Water Supply						
	Harris Waller Counties MUD #2						
	Willow Point MUD						
	Brookshire MUD						
	Waller County Rd Imp Dist #2						
	Harris Waller Counties MUD #3						
	Ft Bend-Waller County MUD #3						
	Fulsher MUD 3A						

## Ratio Study Analysis – Property Value Study

The property tax code requires that the Property Tax Assistance Division of Texas Comptroller Office conduct an internal ratio study in each appraisal district biannually to determine the degree of uniformity of and the median level of appraisal with each major property category in each school district. The districts values must be within the 5% margin of the state’s ratio study in order for the Comptroller to certify local value to the Commissioner of Education for school funding. For 2016, the Waller County Appraisal District was certified local value for all school districts within the boundaries of Waller County. The district’s next property value study will be performed in 2018.

## Legislative Changes

The 2017, 85<sup>th</sup> Texas Legislature produced many pieces of legislation which affect the operation of appraisal districts as well as taxpayer exemptions and rights. Below is a list of some of the most important changes:

- **HB 150-** This Act amends Section 11.132 of the Property Tax Code "Donated Residence Homestead of Partially Disabled Veteran." This Act takes effect January 1, 2018, but only if the constitutional amendment proposed by the 85th Legislature,

Regular Session, 2017 authorizing the legislature to provide for an exemption from ad valorem taxation a part of the market value of the residence homestead of a partially disabled veteran or the surviving spouse of a partially disabled veteran if the residence homestead was donated to the disabled veteran by a charitable organization for less than the market value of the residence homestead and harmonizing certain related provisions of the Texas Constitution is approved by the voters.

- **SB 15** - This Act would add Section 11.134 Residence Homestead of Surviving Spouse of First Responder Killed in Line of Duty. This Act takes effect January 1, 2018, but only if the constitutional amendment proposed by the 85th Legislature, Regular Session, 2017 authorizing the legislature to provide for an exemption from ad valorem taxation a part of the market value of the residence homestead of the surviving spouse of a first responder who is killed or fatally injured in the line of duty is approved by the voters.
- **HB 1101** – Amended Section 11.43, Property Tax Code in that the chief appraiser **may not** require a person allowed an exemption under Section 11.131 to file a new application to determine the person's current qualification for the exemption if the person has a permanent total disability determined by the United States Department of Veterans Affairs under 38 C.F.R. Section 4.15
- **HB 626** – Provides for a change in the requirements for late applications for homestead exemptions. An application for a residence homestead exemption including an exemption for the residence homestead disabled veteran may file after the deadline not later than **two years** after the delinquency date for the taxes on the homestead.
- **HB 626** – Provides for a change in the requirements for late applications for disabled veterans exemptions. An application for a disabled veterans exemption under Section 11.22 after the filing deadline provided by Section 11.43 if the application is filed not later than **five years** after the delinquency date for the taxes on the property.
- **HB 777** - Adds a new Section 23.523 "Temporary Cessation of Agricultural Use When Property Owner Deployed or Stationed Outside State as Member of Armed Services". This sections applies only to land owned by a member of the armed services of the United States who is deployed or stationed outside this state effective May 23, 2017.

The eligibility of land does not end because the land ceases to be devoted to agricultural use if the owner of the land is deployed or outside state and will resume not later than the 180th day after the date the owner ceases to be deployed or stationed outside this state. The owner must notify the appraisal office in writing



not later than the 30th day after the owner is deployed or stationed outside this state.

## **2018 Protest Data**

The Property Tax Code requires the Appraisal District to send a letter of Notice of Appraised Value for properties:

- Reappraised in the current year
- Change of ownership during the preceding year
- Agent or property owner makes a written request for the notice
- New property that was included for the first time on the appraisal rolls
- An increase of Taxable value of \$1,000 or more
- The owner filed a property rendition statement
- The property has been annexed or de-annexed to a taxing jurisdiction

In compliance with the Property Tax Code the district prepared and delivered Notice of Appraised Values for all properties in Waller County for 2018. Notices were sent on 19,972 parcels.

For 2018 the district has received no lawsuits as of the date of this report and eight arbitrations.

Attached is a more detailed spreadsheet by taxing units.

## **2017 Methods and Assistance Program**

In 2009, the Texas Legislature enacted a new law that required the Comptroller of Public Accounts to review appraisal districts every two years. The reviews inspect the governance, taxpayer assistance, operating procedures and the appraisal standards, procedure and methodology of each appraisal district. Mandatory requirements for each appraisal district include having up to date appraisal maps, onsite property inspections by the PTAD auditor match the districts property records, written procedures, PTAD auditor must be able to reproduce district's values using district's procedures and appraisal records and the ability to timely produce requested data of over 200 items. To acquire an "Exceeds" score, the district had to receive a rating of over 100% by having met all the mandatory and bonus requirements. The district passed the MAPS review in all four categories tested. The district will receive its next Methods and Assistance Audit in 2019.

For additional information visit our website at [www.waller-cad.org](http://www.waller-cad.org) or call our office at 979-921-0060. We are located at 900 13<sup>th</sup> Street in Hempstead, Texas. Business hours are Monday – Friday 8:00 am to 5:00 pm. The office is opened through the lunch hour.

