

2019

# ARANSAS COUNTY APPRAISAL DISTRICT ANNUAL REPORT

The information contained in this report is to provide the citizens of Aransas County and other interested parties with an overview of the information compiled by the Aransas County Appraisal District





# Aransas County Appraisal District

11 HWY 35 N, Rockport TX 78382 (361) 729-9733

Dear Property Owner,

The employees of the Aransas County Appraisal District strive to provide the citizens of Aransas County with fair and accurate property valuations. Property taxes play a vital role in local government. However, property taxes can be a frustrating and confusing subject for many property owners. No other topic in local Texas Government can stir the opinion of property owners like the appraisal process. With that in mind, every year we provide the property owners in Aransas County with this report to outline some of the beneficial information that our work produces.

We not only appraise property for the taxing entities, we also administer property tax exemptions for homeowners, veterans and disabled persons. This is another part of our responsibility to you, the property owner. It is our duty to advise you of anything in the Texas Property Tax Code that will benefit you and help reduce your tax liability. If you *think* you may qualify for an exemption please call our office and ask; we will be happy to assist you.

Our website has a great deal of information. Links to property tax resources, online GIS mapping and property search capabilities are only a few of the tools available. We continually update the content of our website to give you the most current information possible. However, if you find a link that no longer works or the information in the link is outdated, please let us know, we will correct it as soon as possible.

The employees of the District are also citizens of Aransas County, and the property owners are our friends and neighbors. We take our responsibility to you very seriously. Our goal is to make sure we provide you with fair and accurate appraisals and are able to answer your property tax questions accurately. But, just as important, we want to make sure property owners are treated as we would want to be treated, with respect and dignity.

The most important message we can convey is, *we work for you*, the taxpayers of our great county. So if you have questions, please call or drop by our office, we will be happy to help you.

Sincerely,

Mike Soto, RPA  
Chief Appraiser  
Aransas County Appraisal District

# ARANSAS COUNTY APPRAISAL DISTRICT

## 2017 ANNUAL REPORT

### **Executive Summary**

The Aransas County Appraisal District has published this report to provide our citizens and taxing units with an overview of the information we compile each appraisal cycle. The information will allow the reader, at a glance, to have a better understanding of the values and properties located within the county.

As always, the goal of the Aransas County Appraisal District is to provide our customers with the best service possible in a professional and courteous manner.

### **Our Goal**

Our goal at the Aransas County Appraisal District is to provide the best service possible to our consumers, the local taxpayer. The fair and accurate appraisals we produce allow the local taxing entities to make sound financial decisions which results in tax rates that are lower than most other nearby counties. Aransas County is an exceptional place to live and we take great care in producing accurate appraisals for the public.

### **Our Appraisal District**

The Aransas County Appraisal District is an independent political subdivision within Aransas County. We appraise all taxable property located within the boundaries of the county annually. The Board of Directors of the Aransas County Appraisal District is the governing body of the District and its members are appointed by our local taxing authorities. Their primary function is to insure that the District has the resources to perform the task of producing accurate appraisals as outlined in the Texas Property Tax Code. Other duties of the Board include adopting an annual budget, appointing an appraisal review board, and the adoption of policies that provide for the general operation of the District.

The Chief Appraiser is appointed by the Board of Directors and is the Executive Officer in charge of the daily operations of the District. The Chief Appraiser hires the staff for the district and is responsible for the production of the appraisal roll used by the entities to adopt tax rates. Other responsibilities include supervision of the staff and maintenance of the facilities of the District.

The District as of January 1<sup>st</sup>, 2017 appraised property for ten taxing jurisdictions. The following is a list of those taxing authorities.

Aransas County

Aransas County Independent School District

Aransas Pass Independent School District  
Port Aransas Independent School District  
City of Rockport  
Town of Fulton  
City of Aransas Pass  
Aransas County MUD#1  
Aransas County Navigation District  
Lamar Improvement District

Aransas County is one of the smallest land mass counties in the state. However, when parcel count is taken into consideration we are right in the middle of all Texas counties with approximately 29,500 parcels. The 2017 certified property value in Aransas County was in excess of 3.3 billion dollars of real and personal property and that amount also puts Aransas County right in the middle of appraised value of all Texas counties.

The Appraisal Review Board consists of five members appointed by the Board of Directors. They serve staggered terms and are limited to three two year terms. To be eligible to serve on the ARB the individual must have been a resident of the county for at least two years. The ARB is responsible for the approval of the appraisal records. They also are the first formal avenue of dispute resolution between property owners and the District. Other responsibilities include correcting errors in the appraisal roll, acting on supplemental changes to the certified roll and making determinations on the proper application of exemptions and special appraisals.

The District relies on the advice of the Agricultural Advisory board for the information necessary to produce the agricultural values used in the special appraisals on those qualified properties. Each board member gathers information and relays their finding to the chief appraiser in periodic meetings. The chief appraiser then uses that information to develop the net to land calculations used in these appraisals.

## **Appraisal of Property**

The physical inspections of the properties in the district began in late summer 2017 and will end in February 2018. ACAD uses Pictometry aerial images as well as on-site physical inspections for the data collection during the appraisal cycle. The district inspects from a planned driving schedule all properties at least every two years. The predominance of improved properties are physically inspected every year. When property changes are noted the appraisal team then field verifies the dimensions and quality of the change and enters the data into the CAMA system. Every year is a reappraisal year. Notices of appraised value are provided to every property owner regardless of whether or not the property meets the requirements set forth in the Property Tax Code.

## **Local Economic Conditions**

Unlike other areas in Texas, Aransas County has had a stable and at times a robust real estate market. Aransas County continues to be a desirable retirement destination and an exceptional family oriented community. The positive national press coverage and effective marketing campaign by the Chamber of Commerce have many people considering Rockport-Fulton as desirable retirement or vacation home choice.

Tourism remains the driving force in our local economy. Rockport-Fulton was voted one of the best places in America to live on the nationally televised show “Today in America”. USA Today readers voted Rockport as the 5th best small coastal town in America in 2015. The Aransas peninsula is bound by Copano Bay to the west and Aransas bay to the east, making it one of the premier fishing locations along the entire Gulf Coast.

Industrial and petrochemical jobs continue to increase in Aransas and nearby counties, creating a strong base of local home buyers, in addition to the traditional tourism and retirement populations. Aransas County is expected to have one of the strongest housing markets in the state for years to come.

## **Hurricane Harvey**

Hurricane Harvey made landfall in Aransas County on August 25, 2017, and significantly altered the workload, process, and nature of appraisals, and continues to have impact in 2019. Harvey Damage adjustments, called “H-Codes” have been removed for 2019 in favor of more traditional adjustments on a case-by-case basis, but the qualitative effects of Hurricane Recovery are still seen in the marketplace.

## **Legislative Changes**

Section 1.04 : SB 1943 defines “heir property”; SB 2 renames the effective tax rate as “no-new-revenue rate”

Section 1.07 : SB 2 amends an exception regarding notice delivery

Section 1.085 : SB 2 allows for information requested under 41.461(a)(2) to be delivered electronic ally; HB 1060 allows for electronic notice delivery

Section 1.086 : SB 2 allows for email communication of changes to homesteaded accounts

Section 5.01 : SB 2 Creates the Property Tax administration Advisory Board

Section 5.041 : SB 2 requires ARB members to complete 8 hours of classroom training.

Section 5.043 : SB 2 creates guidelines for funding the education of ARB members

Section 5.05 : SB 2 requires Appraisal Districts to appraise in accordance with any manuals required by law to be issued by the Comptroller.

Section 5.102 : HB 3384 allows for a limited scope MAP review for Districts affected by a declared disaster

Section 6.035 : SB 2 amends subsection (a-1) to lower from five years to three years the amount of time an individual is ineligible to serve on the appraisal district board of directors after the individual has engaged in the business of appraising property for compensation for use in a proceeding under the Property Tax Code or has represented property owners for compensation in proceedings under the Property Tax Code.

Section 6.054 : SB 2 adds this section to prohibit an individual from being employed by an appraisal district if the individual is an officer of a taxing unit that participates in the appraisal district or an employee of a taxing unit that participates in the appraisal district.

Section 6.15 : SB 2 allows for relay of a complaint to the Chief Appraiser to be made by the Board of Directors, provided it is done in writing.

Section 6.16 : SB 2 authorizes a Chief Appraiser to maintain a list of individuals who will offer free assistance to homesteaded property owners, that are real estate or property tax agents.

Section 6.41 : HB 2179 strikes “clear and convincing” from the evidence of misconduct required to dismiss an ARB member

Section 6.412 : SB 2 amends the nepotism criteria in regards to the Appraisal Review Board

Section 11.13 : HB 2441 changes the allowance for Over-65 and DP exemptions

Section 11.135 : SB 443 extends the homestead continuance for Disaster-affected properties to 5 years

Section 11.141 : HB 2859 provides an extension of the property tax exemption for precious metals

Section 11.161 : HB 1526 adds subsection (b) to provide for purposes of subsection (a), a nursery stock weather protection unit, as defined by Agriculture Code Section 71.041, is considered to be an implement of husbandry.

Section 11.252 SB 58 amends the definition of a motor vehicle used for income.

HB 492 adds this section to create a temporary exemption for qualified property damaged by a disaster.

HB 492 specifies that 11.135 continuances do not need to be re-claimed in the years of its duration.

SB 1943 amends subsection (o) to modify provisions relating to an applicant for an exemption under Tax Code Section

11.13(c) or (d), relating to residence homestead exemptions

Section 23.01: HB 1313 amends subsection (e) to modify the current prohibition on a chief appraiser from increasing the appraised value of property if the appraised value is lowered under Tax Code, Title 1, Subtitle F, Remedies, unless reasonably supported by evidence.

SB 2 adds subsection (h) to provide that appraisal methods and techniques included in the most recent versions of the specified publications are considered generally accepted appraisal methods and techniques for the purposes of the Property Tax Code.

Section 23.23 : SB 812 amends subsection (g) to modify the definition of “disaster recovery program” to add additional entities

Section 23.42 : HB 1254 amends subsection (a) and repeals subsection (a1) to strike a provision that an individual is not entitled to have land designated for agricultural use if the land secures a home equity loan.

Section 23.55 : HB 1743 amends subsection (a) to decrease the rollback period from five years to three years and to decrease the annual rollback interest from seven percent to five percent when there is a change of use under Tax Code Chapter 23, Subchapter D, Appraisal of Agricultural Land.

Section 23.72 : HB 1409 amends a section regarding agricultural degrees of intensity

Section 23.9808 : HB 1409 amends the qualifications for a confidential property owner

Section 25.19 : SB 2 repeals subsection (b-2) regarding sending with the notice of appraised value a notice for residential real property that has not qualified for a residence homestead exemption in the current tax year that the property may qualify as a residence homestead if certain criteria are met and sending with this notice a residence homestead application.

SB 2 adds subsection (b-4) to provide that subsection (b)(5), relating to a notice of appraised value including the amount of tax that would be imposed on the property as specified, applies only to a notice of appraised value required to be delivered in a county with a population of less than 120,000.

SB 2 amends subsections (b) and (i) to strike the requirement that the notice of appraised value include the amount of tax that would be imposed on the property on the basis of the tax rate for the preceding year if the appraised value is greater than it was in the preceding year.

SB 2060 adds subsection (l) to provide that the chief appraiser shall include with a notice of appraised value a brief explanation of available exemptions

Section 25.193 : SB 2 adds this section to require the chief appraiser to deliver notice to a property owner if an exemption was canceled or reduced

Section 41.41 : HB 492 adds subsection (c) to provide clarification on a property owner’s ability to protest account changes during a disaster year.

Section 41.47 : SB 2 adds subsection (c-2) to prohibit the appraisal review board from determining the appraised value of a property to exceed the noticed value except as requested by property owner.

Section 41.66 : SB 2 amends subsection (h) to modifying the requirements that the appraisal review board postpone a hearing

Section 41.67 : SB 2 amends subsection (d) to modify the provision that previously requested information under Tax Code Section 41.461 by the protesting party that was not delivered

(rather than not made available) to the protesting party at least 14 days before the scheduled or postponed hearing may not be used as evidence in the hearing.

Section 41.71 : SB 2 amends this section to provide that an appraisal review board by rule provide for Saturday protest hearings (rather than Saturday or Sunday protest hearings) and to modify the requirement that the board by rule provide for evening hearings to hearings after 5 p.m. on a weekday.

Section 41A.03 : HB 1802 amends subsection (a) to increase from the 45<sup>th</sup> day to the 60<sup>th</sup> day after the date a property owner receives an appraisal review board order the deadline for the owner to file a request for binding arbitration.

SB 2 and SB 1876 amend subsection (a-1) to provide that for purposes of the subsection “contiguous tracts of land” means improved or unimproved tracts of land that are touching or that share a common boundary, as determined using appraisal district records or legal descriptions of the tracts.

Section 42.01 : HB 380 amends subsection (a) to add to the appraisal review board orders of determination that a property owner may appeal to district court, that the appraisal review board lacks jurisdiction to finally determine a protest by the property owner under Tax Code Chapter 41, Subchapter C or a motion filed by the property owner under Tax Code Section 25.25 because the property owner failed to comply with a requirement of Tax Code Chapter 41, Subchapter C or Tax Code Section 25.25, as applicable.

Section 42.231 : HB 380 adds a section which provides additional avenues to gain remedies for protesting incorrect appraised value if remanded to the ARB

## **The Appraisal Process**

The district has recently implemented an in-house designed tablet based solution for field work. This system allows appraisers to formulate a “drive order” of the properties for physical inspection that creates efficiencies in both miles driven and workflow while in the field.

The Pictometry images and the GIS system employed by the District are both very popular products for our citizens. The District has the county flown every year to update the aerial image library. Property owners often comment on how beneficial this information is to them for planning property uses as well as making decisions on building placement. The district’s website has these tools as well, allowing property owners to research our data. Pictometry images are used both in the field and in the office to verify size of improvements or other physical characteristics when field access is not possible. We have data layers in our GIS system that graphically represent trends in values, sold properties, land tables, school districts and any other information beneficial to the appraisal of property in the district.

Shortly after certification of the appraisal roll the field work begins for the next appraisal cycle. The appraisers gather information in the field to insure the physical dimensions of the properties are accurate. Updating properties regularly in both physical size and condition increases the accuracy of the data we produce. Any changes in the physical attributes of a property are

corrected in the CAMA system so we can insure that information gathered on sales in the county are accurately employed as data points for the valuation of all properties.

Each January, businesses are sent a rendition form so they may render their property used for the production of income. All businesses are required to make an annual rendition to the District. Prior to the rendition deadline a notification is placed in the local newspaper as a reminder of this requirement. The appraisers begin to process renditions as they are returned and this continues for a short period after the April 15<sup>th</sup> deadline. In early March the local sales are examined and adjustments are made to the property schedules. Ratio studies used to determine the accuracy of the values and that information is used to determine the amount of adjustment necessary to reach market value.

Some subsets of commercial properties are being moved to an income-approach opinion of value, which for 2019 included self and boat storage facilities, hotels and motels, strip centers, variety stores, and our only drugstore. More commercial property types are going to added in the coming years as more data sources are made available to the district. A significant investment was made in getting CoStar, Trepp, and Hotel Factbook data in 2019.

Notices were sent out in early May 2019. Once notices are sent the staff begins to visit with property owners to try to resolve issues they may have with the current valuation of their property. Most value disputes are resolved in this manner.

## **2019 County-Wide Sales Ratio Information**

The information in this section is statistical information on the level of appraisal within the Arkansas County Appraisal District. This information was compiled from sales with a date range of 1/1/2019 to 1/1/2020. This analysis took into consideration all sales whether or not they were considered to be valid sales for the time period. The study also includes foreclosures as an indicator of value.

Median 99.29%

Average Mean 1.0189%

Weighted Mean 1.00%

During the appraisal process, ratio studies are used to determine if the market area being examined needs adjustment. This ratio information represents the entire county and most specific market areas will have ratios that differ from these numbers. The ratios for 2019 were skewed significantly due to the diminished nature of a large number of properties across the county in the aftermath of Hurricane Harvey, and the diverse nature of their condition at the time of sale.

## **Property Reports**

The following pages will outline the data contained our files. This data is used by the Comptroller's office to report to the Texas legislature specific property tax related information. The local governments use this data to set their budgets and tax rates.

These documents list the types or classes of properties and the number of each within our county. Exemption data such as the number of each type and the category amount for each type is also provided. The Grand Totals report will break down values and exemptions by taxing unit. This allows for a more in depth look at each individual taxing unit and the property contained within its boundaries.

We hope this information is beneficial and if you need any other information please let our staff know and we will be more than happy to provide it for you.