

**2024**

# **Annual Report**

WASHINGTON COUNTY APPRAISAL DISTRICT

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## 2024 Board of Directors

Leslie Boehnemann Jr. – Chairman  
 Charles Gaskamp – Vice Chairman  
 Douglas Borchardt – Secretary  
 Joe Antkowiak – Member  
 Halee Stark Kalkhake - Member

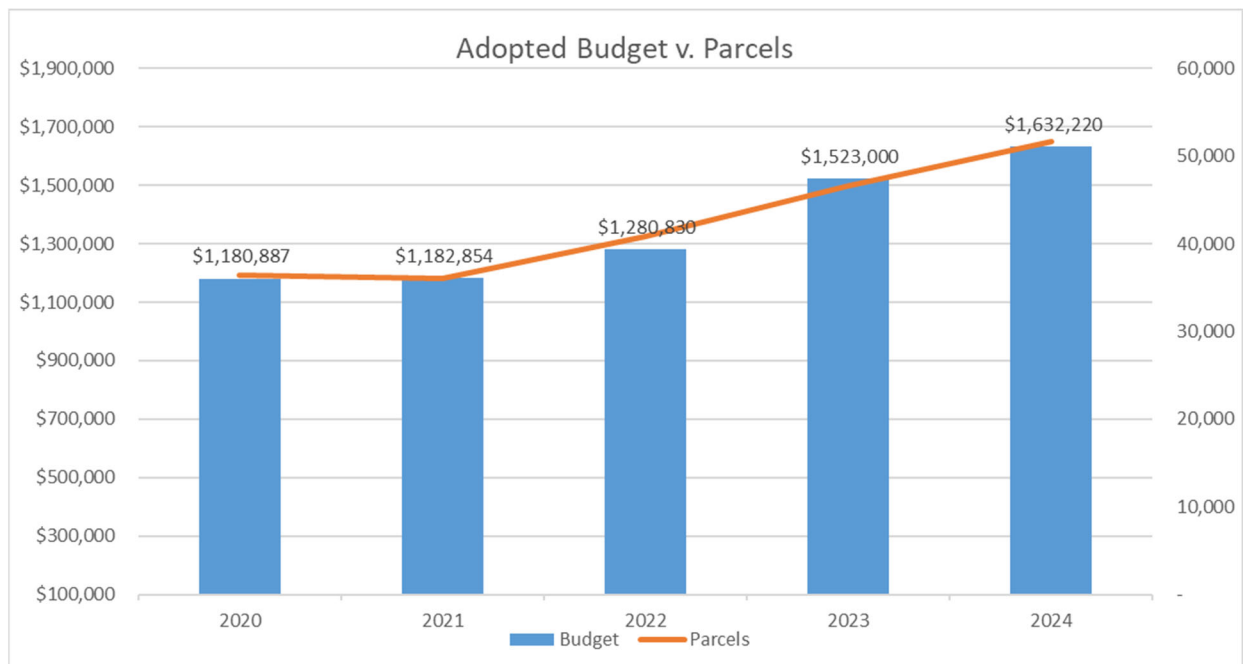
## Taxing Entities

WCAD appraises all taxable property within the county for the following taxing entities, and collects for the entities as shown below.

Appraisal	Collection
Blinn College	Blinn College
Brenham ISD	Brenham ISD
Burton ISD	Burton ISD
City of Brenham	City of Brenham
City of Burton	City of Burton
Giddings ISD	
Oak Hill Fresh Water District	Oak Hill Fresh Water District
Pecan Glen Road District	Pecan Glen Road District
Washington County	Washington County

## General Statistics

	Appraisal Year		
	2022	2023	2024
<b>District's Adopted Budget*</b>	\$ 1,280,830	\$ 1,523,000	\$ 1,632,220
<i>*Includes Appraisal and Collections Budget</i>			
<b>Washington County Market Value</b>	\$ 11,744,694,418	\$ 13,916,179,730	\$ 15,369,648,727
<b>Breakdown of County Parcels</b>	<b>42,425</b>	<b>46,780</b>	<b>51,639</b>
Residential	11,427	11,611	12,016
Commercial & Industrial Real	1,423	1,417	1,432
Business Personal Property	2,041	2,200	2,237
Agricultural (Incl. Res. On Ag Land)	10,326	10,683	10,667
Oil & Gas	12,859	16,428	20,860
Utilities	405	425	446
Exempt	3,944	4,016	3,981
<b>Number of Personnel</b>	<b>14</b>	<b>15</b>	<b>15</b>
Administration	2	2	2
Appraisal	6	7	7
Collections & Records (Deeds, Ex, Etc.)	6	6	6
<b>Professional Staff Designations</b>			
<b>Registered Professional Appraisers</b>	<b>4</b>	<b>6</b>	<b>6</b>



## Administration Report

The financial records of WCAD reflect a focus on producing highest quality services and records while also maintaining a conservative budget. The District is always mindful of the dollars spent on creating and maintaining the appraisal roll.

The District's annual finances can be reviewed and monitored in two different publications – the Adopted Budget and the audited Financial Statements. The first publication shows what is planned and the second shows what actually happened. In addition, each agenda packet for the Board of Directors' monthly meetings include financial reports.

### Adopted Budget

The Board of Directors considers and adopts an annual budget each year.

The proposal of budget requires the District administration to review the goals, objectives, and programs to be accomplished. This review aids in determining forecasted operating and maintenance expenditures by category. It includes personnel breakdown with staffing levels and salary ranges.

The Chief Appraiser first prepares a preliminary budget and presents it to the Board, taxing entities, and other interested parties at a budget workshop. Additional budget workshops can be held until the proposed budget is ready for delivery to the taxing entities and the Board of Directors.

The budget may not be adopted until written notice is given to the taxing entities and the Board has conducted a public hearing on the proposed budget. The budget is adopted by the Board of Directors in open meeting after the public hearing has been held.

### Financial Statements

Each month the Board of Directors reviews and approves financial reports. As required, the financial statements are audited annually by an independent certified public accounting firm (CPA) in accordance with generally accepted auditing standards. The Board of Directors receives the financial audit from the auditing firm in an open meeting. The auditor presents the findings and provides recommendations in relation to the financial operations.

# Budget Analysis

	Fiscal Year		
	2022	2023	2024
Collections	\$ 301,650	\$ 306,800	\$ 271,350
Appraisal	\$ 979,180	\$ 1,216,200	\$ 1,360,870
Total	\$ 1,280,830	\$ 1,523,000	\$ 1,632,220
Increase/(Decrease)	\$ 97,826	\$ 242,170	\$ 109,220
% Increase/(Decrease)	8%	19%	7%

Budgeted Personnel	15	15	15
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## **Breakdown of Adopted Budget:**

### **Revenues:**

Entity Allocations	\$ 1,280,830	\$ 1,523,000	\$ 1,632,220
<b>Total Revenues</b>	<b>\$ 1,280,830</b>	<b>\$ 1,523,000</b>	<b>\$ 1,632,220</b>

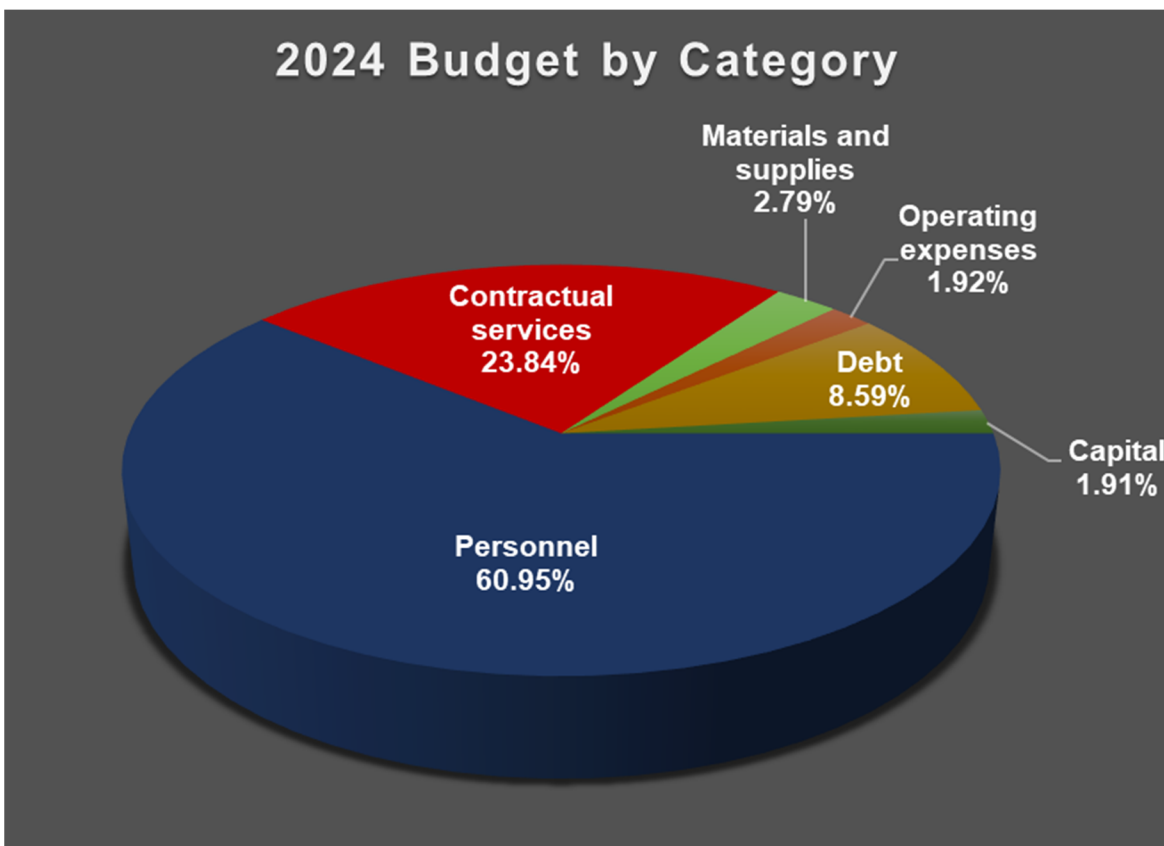
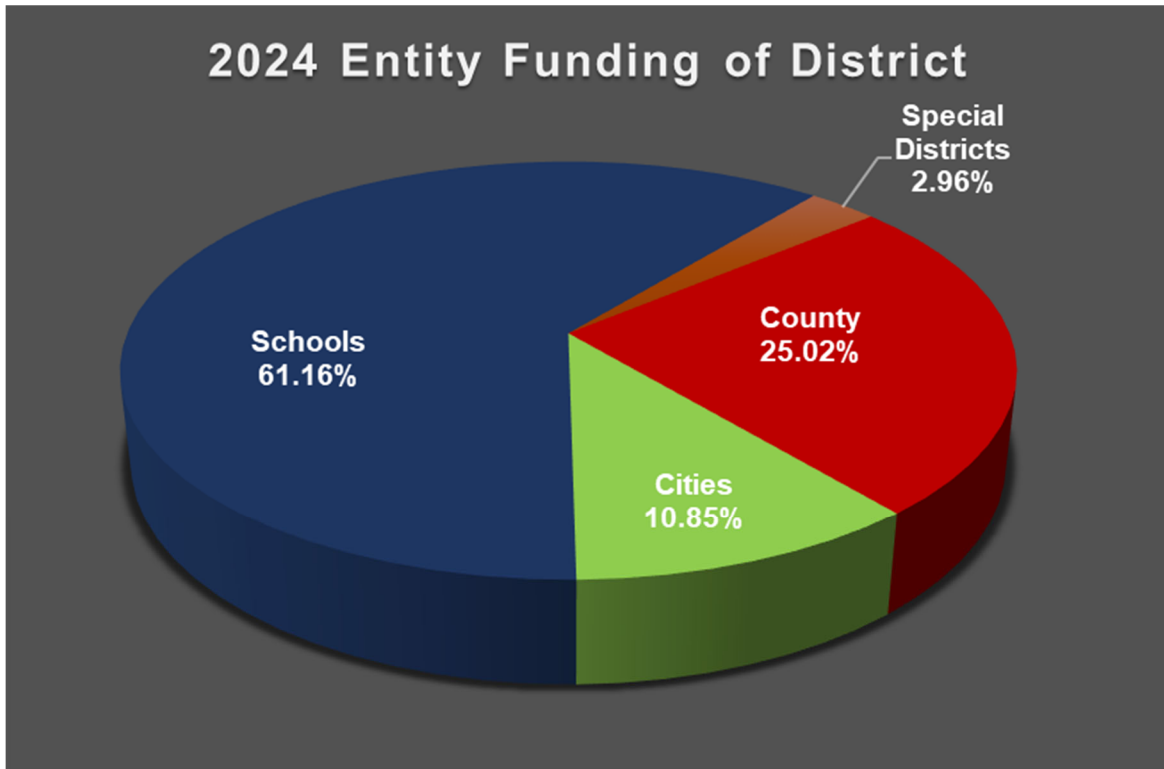
### **Total Expenditures:**

Personnel	\$ 899,400	\$ 910,000	\$ 994,900
Operations -			
Contractual services	268,930	343,850	389,170
Materials and supplies	48,550	63,400	45,500
Operating expenses	32,850	34,450	31,350
Debt		140,200	140,200
Capital	31,100	31,100	31,100
<b>Total Expenditures</b>	<b>\$ 1,280,830</b>	<b>\$ 1,523,000</b>	<b>\$ 1,632,220</b>

## **Entity Funding of District:**

County	\$ 304,354	\$ 401,550	\$ 408,394
Cities	122,259	168,894	177,150
Schools	808,673	900,003	998,312
Special Districts	45,544	52,553	48,364
<b>Total Entity Allocations</b>	<b>\$ 1,280,830</b>	<b>\$ 1,523,000</b>	<b>\$ 1,632,220</b>

## Budget Analysis Cont'd.



## Comptroller Property Tax Assistance Division Studies

### Appraisal District Requirements and Responsibilities

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

WCAD is required to determine the market value of taxable property and the prescribed equalization. Appraisal districts are required to comply with the mass appraisal standards of the national Uniform Standards of Professional Appraisal Practice (USPAP). An Appraisal Review Board (ARB) hears disagreements between property owners and the appraisal district about value or other tax liability matters as prescribed in the Tax Code.

Appraisal districts do not set tax rates.

Appraisals established by WCAD allocate the year's property tax burden on the basis of each property's January 1<sup>st</sup> taxable value.

### State of Texas

The Texas Comptroller's Property Tax Assistance Division (PTAD) closely monitors appraisal districts for their accuracy in valuing property.

In 2010, PTAD began alternating every other year between a Property Value Study (PVS) and a Methods and Assistance Program (MAP) Review for each appraisal district.

### Property Value Study (PVS)

The PVS has two functions: 1) to assess the median level of appraisal for each appraisal district and 2) to determine if the values are at or near market value for school funding purposes. Each appraisal district must have a compliance ratio between 95 – 105% comparing the District's market values to sales and appraisals performed by the Comptroller.

In 2022, WCAD received a "valid" score in Burton ISD and a score of "invalid" for Brenham ISD. As such, Burton ISD will not have another PVS until the 2024 values are certified. Brenham ISD had to have a PVS for 2023, and the results were found "valid" at that time.

PVS results can be found on the Comptroller's website at: <https://comptroller.texas.gov/taxes/property-tax/pvs/index.php>.



## Comptroller PTAD Studies Cont'd.

### Methods and Assistance Program (MAP) Review

MAP Reviews are an audit of appraisal district governance, taxpayer assistance, operating standards, and appraisal standards, procedures and methodology that occur at least once every two (2) years. The MAP review checks and ensures that appraisal districts are compliant with International Association of Assessing Officers (IAAO) Standards and PTAD Standards.

The MAP Review consists of questions that test the Appraisal District's performance in the following areas: governance, taxpayer assistance, operating procedures, and appraisal standards, procedures and methodology.

The number of questions for each appraisal district is determined by a three-tier system based on population. Certain appraisal districts may be eligible for a limited scope review if they have received the IAAO Certificate of Excellence in Assessment Administration.

WCAD had its most recent MAP review in 2024. The results are as follows:

Mandatory Requirements	PASS/FAIL
1. Does the appraisal district board of directors, through the chief appraiser, ensure administrative functions are followed in accordance with Chapter 6 of the Texas Property Tax Code?	PASS
2. Does the appraisal district have up-to-date appraisal maps?	PASS
3. Is the implementation of the appraisal district's most recent reappraisal plan current?	PASS
4. Are the appraisal district's appraisal records up-to-date and is the appraisal district following established procedures and practices in the valuation of property?	PASS
5. Are values reproducible using the appraisal district's written procedures and appraisal records?	PASS
Appraisal District Activities	RATING
Governance	MEETS
Taxpayer Assistance	MEETS
Operating Procedures	MEETS
Appraisal Standards, Procedures and Methodology	MEETS

#### Appraisal District Ratings:

Meets All – The total point score is 100

Meets – The total point score ranges from 90 to less than 100

Needs Some Improvement – The total point score ranges from 85 to less than 90

Needs Significant Improvement – The total point score ranges from 75 to less than 85

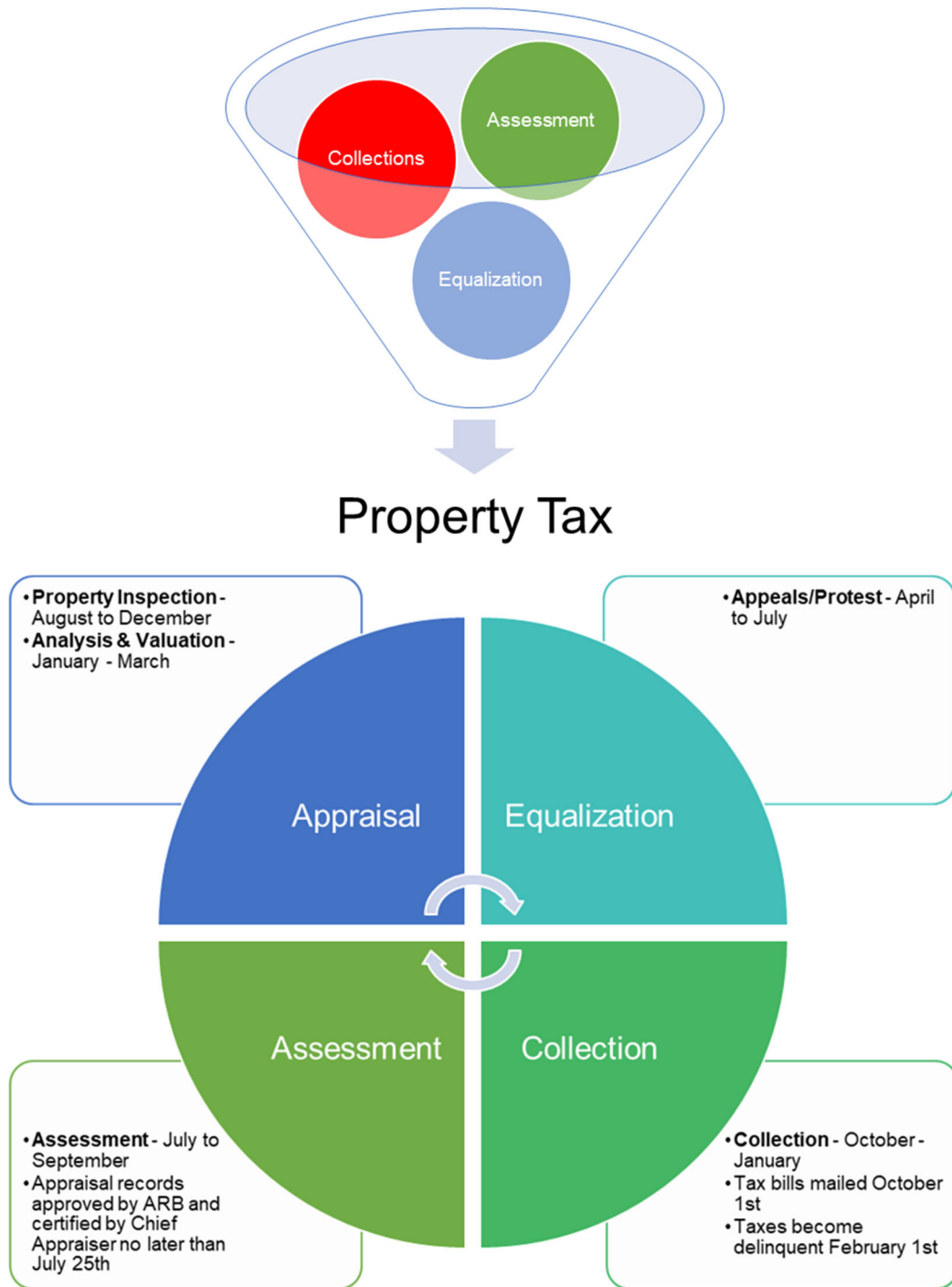
Unsatisfactory – The total point score is less than 75

## Comptroller PTAD Studies Cont'd.

Review Areas	Total Questions in Review Area (excluding N/A Questions)	Total "Yes" Points	Total Score (Total "Yes" Questions/Total Questions) x 100
Governance	16	16	100
Taxpayer Assistance	17	17	100
Operating Procedures	23	23	100
Appraisal Standards, Procedures and Methodology	27	27	100

As part of the MAP review process, the appraisal district is required to submit, in advance of the review, electronic copies of procedures, policies, notices, manuals, and related materials necessary for the completion of this review. The Comptroller reviews the sent data and also collects related information at the time of the on-site review and compares the appraisal district records to existing property, and locates properties using district maps. Each appraisal district is reviewed on the years opposite the biennial PVS.

## Appraisal Calendar/Cycle



The months listed for each phase are approximate. Some activities extend beyond these dates, and may in fact continue year-round.

## Appraisal Calendar/Cycle Cont'd.

General Appraisal Calendar		
Month	Day	Important Dates in the Appraisal Process
January	1	Date that current year taxable values and exemptions are determined (except for some inventories appraised Sept. 1)
February	1	The date that the previous year's taxes become delinquent if unpaid.
April	1	Or as soon as possible after this date, the Chief Appraiser should mail Notices of Appraised Values for single-family residence homestead properties per Property Tax Code § 25.19
April	15	The last day for property owners to file renditions unless they file an extension in writing.
April	30	Last day for property owners to file applications or certain reports with the appraisal district including: <ul style="list-style-type: none"> <li>• Certain exemption applications</li> <li>• Notice to the Chief Appraiser that property is no longer entitled to an exemption that does not require an annual application.</li> <li>• Applications for special appraisal or notices to the Chief Appraiser that a property no longer qualifies for: 1-d or 1-d-1 agricultural appraisal, open space, recreational park and scenic land, and public access airport property.</li> <li>• Railroad rolling stock reports</li> <li>• Requests for separate listings of separately owned property (undivided interest properties).</li> <li>• Requests for proportionate taxation of a planned unit development.</li> </ul>
May	1	Or as soon as possible after this date, the Chief Appraiser should mail Notices of Appraised Values for properties <i>other than</i> single-family residence homesteads per Property Tax Code § 25.19
May	31	Last day to file a protest with the ARB for the current year (or 30 days after the notice was mailed, whichever is later).
July	25	Date that the Chief Appraiser should certify the appraisal roll to the taxing jurisdictions.
September	1	Alternate date for the appraisal of inventory if applied for by the property owner and granted by the Chief Appraiser.
<b>Note: When the deadline falls on a weekend or holiday, the Property Tax Code designates the deadline as the next regular business day.</b>		

## Appraisal Frequency and Method

All properties are physically examined at least once every three years. The universe of property is divided by market areas. The market areas are defined by the school district that the property is in. Each school district is a separate market area. The market areas are statistically analyzed annually to verify appraisal performance. If sales indicate that current appraised values are not at market value, adjustments are made to the area using a process outlined in detail in the Market Analysis section of this report.

Appraisers use two methods of inspection: review of aerial photography and/or onsite inspection.

Aerial review involves reviewing neighborhood oblique images from four different directions of a property, looking for changes that might have occurred to the property since the last inspection, measuring the two most significant exterior walls of each improvement, and verifying that all improvements are on the appraisal roll and listed correctly.

Field inspection involves physically accessing the property, walking in front of each improvement, and to the rear if accessible, looking for changes that might have occurred to the property since the last inspection, measuring the two most significant exterior walls of each improvement, and verifying that all improvements are on the appraisal roll and listed correctly. Exterior pictures are taken any time an appraiser conducts a field check.

Regardless of the method used, inspections require appraisers to check all information on the property and the property record, and to update the appraisal roll as necessary. The appraiser's primary duty is to ensure the accuracy of property records. Appraisers note their opinion of classification, condition and characteristics of the property. If changes in the size of any structures are observed, the appraiser measures and lists those dimensions. All work is reviewed by quality control measures.

In addition to reappraisal, all exemptions and special valuations for properties in the reappraisal area are reviewed to verify qualification. For instance, properties with a homestead exemption should not be vacant. Properties receiving "ag" value should show signs of agricultural use. The appraiser notifies the records technician of properties in question.

## Appraisal Frequency and Method Cont'd.

### Residential Property

Aerial review involves reviewing neighborhood oblique images from four different directions of a property, looking for changes that might have occurred to the property since the last inspection, measuring the two most significant exterior walls of each improvement, and verifying that all improvements are on the appraisal roll and listed correctly.

The District collects building permit and utility installation reports to locate new improvements. Properties with a building permit or utility connection are reviewed for the current appraisal year.

### Commercial and Business Personal Property

Commercial property accounts are analyzed against sales of similar properties in the county as well as similar communities in surrounding counties. The income approach to value is utilized to appraise properties where the highest and best use is as income producing property, such as shopping centers, apartment complexes, motels and hotels, and other types of property that typically sell based on net operating income. The cost approach is typically used to value industrial properties due to the lack of reliable income data and comparable sales. This is the recommended approach of the International Association of Assessing Officers (IAAO).

The appraiser concurrently updates Business Personal Property (BPP) records by adding new businesses to the appraisal roll and deleting businesses that no longer exist. A rendition is left for new businesses. The appraisers walk into businesses to make quality and density observations. Similar businesses are analyzed annually to determine appraisal consistency. Businesses are categorized using North American Industry Classification System (NAICS) codes. Rendition laws provide additional information on which to base values of BPP accounts.

## Appraisal Frequency and Method Cont'd.

### Minerals

WCAD contracts with Thomas Y. Pickett Co. for the valuation of mineral accounts. Producing oil and gas wells are appraised annually. The most recent production data available from the Texas Railroad Commission is downloaded into appraisal software that estimates economically recoverable reserves. Those reserves are then valued based upon state mandated pricing using the previous year's average of oil and gas values. A discount is applied over the anticipated life of the well in order to consider the value of money over time to recover those reserves. Each producing lease is valued as a unit. The unit value is then divided among owners listed in the division order, equal to their percentage of interest in the lease.

### Utilities and Pipelines

Utility companies and pipelines are also appraised annually by Thomas Y. Pickett Co. A utility company's total value in the state is estimated using cost, market, and income approaches. Then the entire value is allocated using the components that have situs in the tax units of Washington County. Components include such things as miles of transmission lines, miles of distribution lines, substations and the like for an electric utility.

### Industrial

Industrial real estate and personal property is appraised annually by Thomas Y. Pickett Co. The methods used in local commercial appraisal are applied to industrial properties. The appraisers employed by TYP have the education and experience necessary for accurate estimates of value.

### District Administration

The Chief Appraiser is primarily responsible for overall planning, organizing, staffing, coordinating, and controlling of District operations. The appraisal department is responsible for the valuation of all real and personal property accounts. The property types appraised include commercial, residential, business personal, mineral, utilities, and industrial. Presently all property in the District, with the exception of oil and gas pipelines, minerals, utilities, and industrial property is appraised by the WCAD staff. The District's appraisers are subject to the provisions of the Property Taxation Professional Certification Act and must be duly registered with the Texas Department of Licensing and

## Appraisal Frequency and Method Cont'd.

Regulation (TDLR). Support functions including tax collection, records maintenance, exemptions processing, ownership transfers, information and assistance to property owners, and hearings are coordinated by personnel in support services.

## Appraisal Results

WCAD is made up of four field appraisers and one support staff member. All appraisers are licensed with the Texas Department of Licensing and Regulation. Three appraisers have obtained their Registered Professional Appraiser (RPA) License and one is working toward theirs.

### Reappraisal

Residential and land reappraisal work is based on current sales within a market area. Analysis is done on a specific market area by comparing sale prices to current appraised values. Market values in those areas are adjusted based on the findings of the sales analysis.

Commercial reappraisal relies heavily on replacement cost of the structure. Replacement cost is updated utilizing Marshall & Swift Valuation Service. Marshall & Swift is a nationally recognized cost estimator. Replacement cost tables, income and expense analysis, and sales comparables are reviewed to determine if commercial values need adjustment. The income and expense data assists in appraising properties that are valued according to income such as: hotels, motels, storage buildings, apartment complexes and strip malls.

All Business Personal Property is reappraised annually through a review of renditions. Properties for which no rendition is received are valued by comparing to like properties.

### Ownership, Mapping, Exemptions and More

The non-appraisal staff is responsible for processing ownership changes, exemption and ag applications, responding to open-records requests, collecting tax, and assisting taxpayers with any other property tax matters. The non-appraisal staff is trained to handle a wide variety of issues.



## Appraisal Results Cont'd.

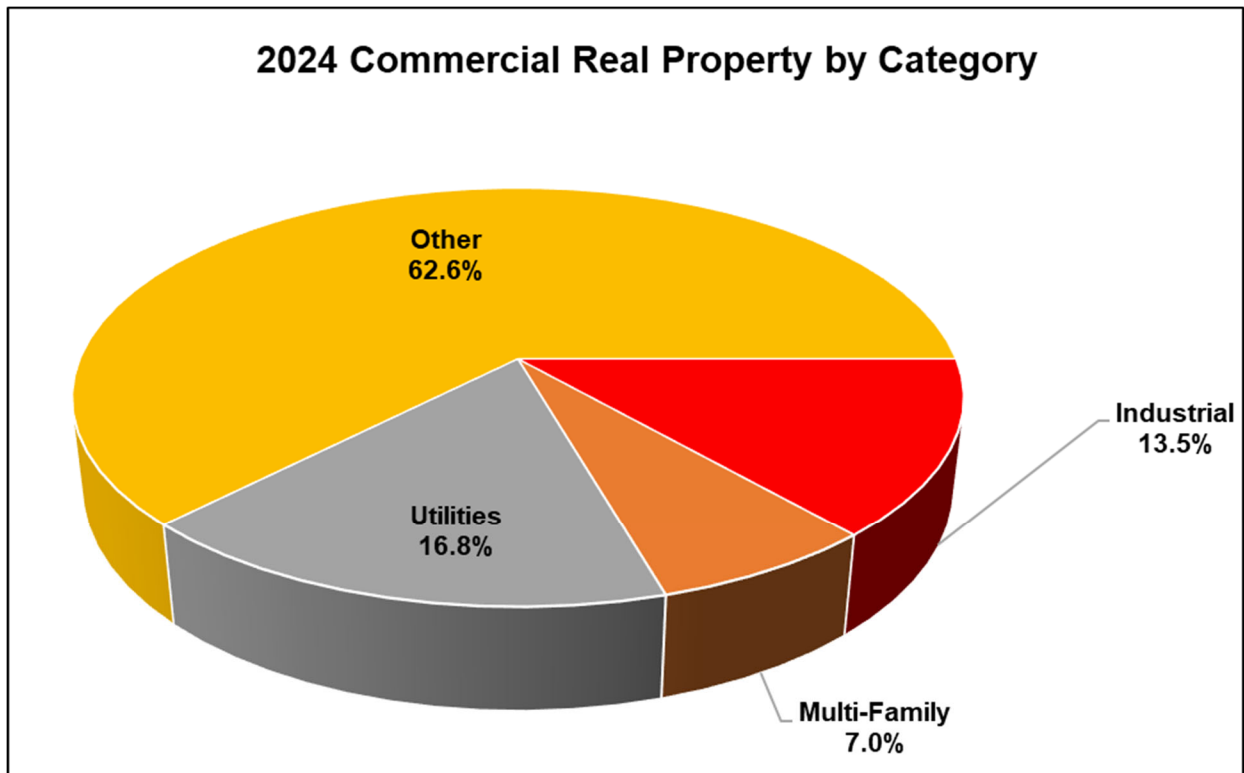
Residential Real Property			
	Appraisal Year		
	2022	2023	2024
Residential Accounts	11,427	11,611	12,016
New Residential Improvements	884	218	310
New Value	\$ 85,010,648	\$ 40,271,033	\$ 84,979,550
New Subdivisions	17	16	17
New Lots	409	344	144

Average Homestead Value by School District - Taxable			
	Appraisal Year		% Increase/ (Decrease)
	2023	2024	
<b>School District -</b>			
Brenham ISD	\$ 188,868	\$ 217,899	15.37%
Burton ISD	163,534	186,698	14.16%

Average Homestead Value by School District - Market			
	Appraisal Year		% Increase/ (Decrease)
	2023	2024	
<b>School District -</b>			
Brenham ISD	\$ 315,321	\$ 339,383	7.63%
Burton ISD	276,275	298,943	8.20%

## Appraisal Results Cont'd.

Commercial Real Property			
	Appraisal Year		
	2022	2023	2024
Non-Exempt Accounts	1,423	1,417	1,432
Abatement Exemptions	9	11	10
New Value	\$ 27,140,986	\$ 17,334,009	\$ 54,047,810
<b>Outsourced -</b>			
Complex Industrial	141	150	166
Utilities	405	425	446



## Appraisal Results Cont'd.

Business Personal Property			
	Appraisal Year		
	2022	2023	2024
Number of Accounts	2,041	2,200	2,237
Special Inventory	42	24	41
Freeport Exemptions	-	-	-
<b>Outsourced -</b>			
Complex Industrial BPP	355	365	367
Local BPP	-	-	1829

Agricultural Land			
	Appraisal Year		
	2022	2023	2024
Number of Accounts	10,326	10,683	10,667
Ag-Use Acres	273,193	271,903	247,423
Wildlife Acres	64,658	65,916	90,004
Total Acres	337,851	337,819	337,427
Increase/Decrease in Ag Acres	510	(32)	(392)

Oil & Gas					
	Appraisal Year				
	2020	2021	2022	2023	2024
Non-exempt Accounts	7,540	7,509	12,894	16,449	20,860
Taxable Value	248,094,957	376,789,485	1,043,437,361	934,464,348	752,336,792
\$ Increase/Decrease	NA	128,694,528	666,647,876	(108,973,013)	(182,127,556)
% Increase/Decrease	NA	52%	177%	-10%	-19%

## Appraisal Results Cont'd.

### Top Ten Taxpayers - Market Value

2024 Top Ten Taxpayers	Market Value	Taxable Value
1 Magnolia Oil & Gas Operating LLC	\$ 467,687,161	\$ 463,124,937
2 Blinn College	155,843,650	190,330
3 Blue Bell Creameries	107,434,530	107,434,530
4 Aspen Midstream LLC	88,167,350	85,248,470
5 LCRA Transmission SRV Corp	77,567,740	77,567,740
6 Geosouthern Operating II LLC	56,639,870	54,871,180
7 USCA Ranchland Fund LP	50,197,880	84,990
8 Bay-Houston Towing Co	39,494,660	2,132,280
9 Valmont/Als	33,706,140	33,385,720
10 Apache Corporation	26,796,732	26,796,732

### Top Ten Taxpayers - Taxable Value

2024 Top Ten Taxpayers	Market Value	Taxable Value
1 Magnolia Oil & Gas Operating LLC	\$ 467,687,161	\$ 463,124,937
2 Blue Bell Creameries	107,434,530	107,434,530
3 Aspen Midstream LLC	88,167,350	85,248,470
4 LCRA Transmission SRV Corp	77,567,740	77,567,740
5 Geosouthern Operating II LLC	56,639,870	54,871,180
6 Valmont/Als	33,706,140	33,385,720
7 Apache Corporation	26,796,732	26,796,732
8 Bluebonnet Elec Co-Op	24,334,020	24,334,020
9 BNSF Railway Company	24,108,780	24,108,780
10 Germania Farm Mutual Aid Assoc	22,843,280	22,843,280

## Property Appeals

In accordance with the Texas Property Tax Code, Section 41.44, a property owner and/or authorized Tax Agent may file an appeal with the Appraisal Review Board (ARB) having authority to hear the matter protested. The District schedules these appeals for protest hearings and notifies the protesting party of their scheduled hearing before the ARB.

### Appraisal Review Board

The ARB is appointed 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 around April 1<sup>st</sup> and typically concludes around July 20<sup>th</sup> of each year.

ARB members do not work for appraisal districts, but rather, decide on exemptions and appraisal disputes between property owners and the appraisal district. The ARB is a quasi-judicial body appointed by the Board of Directors.

After the hearing process, the ARB approves and submits a certified assessment roll to the Chief Appraiser. The Chief Appraiser then certifies taxable value to the local taxing entities.

### Taxpayer Protest Assistance

WCAD makes its staff available for property owner assistance after Notices of Value are mailed. Many owner questions and concerns can be answered by the general staff. However, the appraisers are available for informal value discussions if a property owner does not agree with their appraisal or other tax liability issue. The appraisers will review the appraisal with the property owner or their agent, answer any property value questions, and make adjustments to the property value when necessary.

## Property Appeals Cont'd.

Property Appeals			
	Appraisal Year		
	2022	2023	2024
<b>Informal Protests</b>	688	492	1,065
<b>Formal Protests</b>			
By Property Owners	1,684	1,233	1,972
By Tax Agents	1,017	1,051	1,890
<b>Total Protest</b>	<b>2,701</b>	<b>2,284</b>	<b>3,862</b>
<b>Protests by Property Type -</b>			
Residential	782	1,038	1,076
Commercial	280	301	297
Business Personal Property	53	52	73
Land	374	262	313
Agricultural	451	175	216
Industrial/Utilities	18	282	441
Mineral	743	174	1,446
<b>Total Protest by Property Type</b>	<b>2,701</b>	<b>2,284</b>	<b>3,862</b>
<b>ARB Statistical Information -</b>			
ARB Hearing - Approved	184	107	99
ARB Hearing - Denied	246	196	140
Non-Attendance	390	280	151
Pending	19	41	7
Waived/Withdrawals	1,768	1,354	3,236
Void	21	18	39
Topline	73	288	190
<b>Total Protest Results</b>	<b>2,701</b>	<b>2,284</b>	<b>3,862</b>
<b>Hearings Scheduled:</b>			
# of ARB Hearing Dates	21	15	15
Protests Scheduled	N/A	N/A	3,631
Reschedules	N/A	N/A	181