



2019 ANNUAL REPORT

Scott Overton, Chief Appraiser

Orange County Appraisal District— PO Box 457 Orange, Texas 77631



Mission Statement

The mission of the Orange 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 between classes of properties. This will be accomplished by maintaining the highest standards in appraisal practices and law, guided by the goals of providing quality service to the taxpayers and taxing entities and by developing personnel who are professional and knowledgeable.



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From the Chief Appraiser

It is an honor to report on the activities of the Orange County Appraisal District and our ongoing commitment to excellence. In 2019, our appraisal staff did a great job of doing a reappraisal on residential property in the county. Through sales collection, most of the county saw a 5% increase in the market on residential property.

In the year after Hurricane Harvey there were still many homes that remained unrepaired. Our office worked diligently to help those still recovering and adjusted where necessary.

The OCAD Staff would like to extend our thoughts and prayers to everyone affected.

Sincerely,

Scott Overton, RPA
Chief Appraiser



Governance

Board of Directors

The Orange County Appraisal District is governed by a five-member board of directors who are elected by the incorporated cities and towns, the school districts, the county and if entitled to vote, the conservation and reclamation districts that participate in the District.

To be eligible to serve on the Board of Directors for OCAD, 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.

Board of Directors

Tim Schossow – Chairman

Tim Andrews – Vice Chairman

Karen Fisher – Secretary

Laura Floyd - Member

James "Jim" Brown - Member

Appraisal Review Board

The Orange County Appraisal Review Board consists of five members appointed by the Board of Directors of the Orange County Appraisal District. Members of the Appraisal Review Board (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 responsibilities of the appraisal review board include:

- 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.



Agricultural Advisory Board

The Agricultural Advisory Board for OCAD is a five-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 or timber land within the District and to assist in determining typical practices and standards used in various farming operations. This board serves at the will of the Chief Appraiser.

Agricultural Advisory Board Members

Harry Corbett

James A. Jenkins

Royce Scales

Robert Armstrong

Dan Harris





Taxing Jurisdictions Served by OCAD

The Orange County Appraisal District is responsible for appraising all properties for each taxing units that have territory located within the 380 square miles of Orange County. The list of taxing entities with territory in the appraisal district includes:

- Orange County
- Orange County Lateral Road
- Orange County Navigation and Port District
- Orange County Drainage District
- Bridge City ISD
- Little Cypress-Mauriceville CISD
- Orangefield ISD
- Vidor ISD
- West Orange-Cove CISD
- City of Orange
- City of Bridge City
- City of Pinehurst
- City of Vidor
- City of West Orange
- City of Pine Forest
- City of Rose City
- City of Port Arthur (split with Jefferson CAD)
- Emergency Service District #1
- Emergency Service District #2
- Emergency Service District #3
- Emergency Service District #4
- Water Control and Improvement District #1





General Statistics

Appraisal Year	2016	2017	2018	2019
Financial Budget	\$1,729,237	\$1,811,163	\$1,872,533	\$1,888,136
Market Value	\$7,134,230,058	\$7,451,249,533	\$7,429,513,872	\$8,096,103,101
# of Parcels in the County	72,242	72,145	72,796	74,053
# of Personnel	18	18	18	18

Appraisal District Comparative

(Based of 2018 Data)

County	Budget	Population	\$/Person	Parcels	\$/Parcel	# of Employees
Orange	\$ 1,872,533	83,572	\$ 22.41	72,796	\$ 25.72	18
Chambers	\$ 1,865,050	42,454	\$ 43.93	42,485	\$ 43.90	11
Galveston	\$ 5,988,355	337,890	\$ 17.72	192,922	\$ 31.04	48
Hardin	\$ 1,619,822	25,776	\$ 62.84	60,530	\$ 26.76	15.5
Jefferson	\$ 6,396,081	255,001	\$ 25.08	150,433	\$ 42.52	39
Jasper	\$ 1,409,159	35,872	\$ 39.28	41,272	\$ 34.14	16
Liberty	\$ 3,189,050	86,323	\$ 36.94	119,083	\$ 26.78	34
Victoria	\$ 2,274,350	92,035	\$ 24.71	60,057	\$ 37.87	24



2019 Ratio Study

The Property Tax Code requires appraisal districts to test the values based on market conditions. In 2019 a ratio study was conducted on all sales received in Orange County. This is done by taking the total sale price of a property and comparing it to the market value of that property. OCAD tests the Mean, Median and Coefficient of Dispersion of all school districts in the county. It was determined that a 5% increase in value was warranted in all school districts except West Orange Cove Consolidated ISD. The market showed to be flat in the WOCCISD therefore no change was made to values in that school district. Overall the 2019 year showed a positive market in Orange County.



Financial Report

The financial results for 2017 reflect a focus of conservative fiscal stewardship and utilization of the District’s financial and personnel resources. The finances of the District are presented in the annual budget and the audited financial statements each year.

Budget

The District’s budget must be prepared and presented to the Board of Directors and participating entities by June 15 of each year. The board of Directors holds at least one public hearing required to be held by September and then adopted by September 15th. The budget outlines the objectives as set out by the chief appraiser and approved by the Board of Directors and describes the operating and maintenance expenditures by category, personnel breakdown showing staffing levels and salary ranges as well as a detailed schedule of capitalized equipment to be purchased.



Audited Financial Statements

The financial statements of the district are audited annually by a Certified Public Accountant in accordance with generally accepted accounting standards.

The Board of Directors reviews the budget with the chief appraiser and appropriate district staff for any necessary revisions or recommendations. The Board of Directors reviews the financial audit with the District’s auditor to understand any comments contained in the auditor’s findings and to receive any recommendations in relation to the financial operations. For 2019, the financial audit was considered “clean” with no recommendations.



Appraisal Process

The 2019 appraisal year began in August of 2018. The district utilized the efforts of six real property and one personal property appraisers as well as the supervision of the Deputy Chief Appraiser. For 2019, the district utilized aerial photographs as well as the district's Geographic Information System software as well as field inspections in the discovery process. In the field the appraisers utilized the mobile office software on their tablet computers. This allowed them to work more efficiently. The Mobile Office software combines everything into one package. With the aerial photography and the maps being imbedded in the system the appraiser can see the sketches over the aerials. This allows the appraisers to find any additions or removal of improvements easier. The appraiser can then enter the account and make any changes that are necessary. The appraiser is even able to georeferenced a picture to the account to easily identify the improvements. By utilizing this technology, it has made the appraisals more accurate while speeding up the appraisal process.

Personal property (furniture, fixtures, machinery, equipment and inventory) at local businesses was inspected via on-site visits as necessary. These visits as well as meetings with business owners included discussions concerning issues affecting various types of businesses and the personal property of those businesses. Discussions also allowed the appraiser to explain the rendition process and to answer any questions the taxpayer may have. The on-site inspections allowed the appraiser to determine the quality, quantity, and condition of the personal property.

For 2019, the Orange County Appraisal District appraisers were responsible for appraising approximately 59,557 property accounts. This amounted to an average of nearly 10,000 accounts per appraiser.



Exemption Data

The Orange County Appraisal District is responsible for the administration of all property tax exemptions granted countywide as described in Chapter 11 of the Property Tax Code. The most common exemptions granted by the taxing units in Orange County pertain to homesteads. These exemptions include mandated homestead exemptions, optional homestead exemptions, over-65 exemptions, disability exemptions as defined by the Texas constitution, optional homestead exemptions as determined by each entity, Over-65 exemptions, disability exemptions, disabled veteran exemptions and 100% disabled veteran exemptions. Other exemptions administered by the district include pollution control exemptions, Freeport exemptions, charitable organizations, religious organizations, public property and other miscellaneous exemptions.

All other homestead related exemptions are reviewed periodically to ensure that proper documentation is contained in each file and if not, new documentation is required. The district also has acquired information from the various cities to determine if the owners of the property receiving the homestead exemption are the same as the person being billed for utilities. If not, further investigation is made to see if the property is being rented or occupied by someone other than the owner.

The appraisal district currently has two employees who have dual rolls of exemption clerk and receptionist. These employees have been trained to be courteous to our customers and to be knowledgeable and fair in their processing of all exemptions. They also understand that their duty is to follow the Property Tax Code to grant any exemptions properly applied for and to deny any that do not qualify.

As you can see, all entities in Orange County grant the various homestead related exemptions mandated by law. The County of Orange, most of the schools and all of the cities also grant the optional percentage exemptions and allow for the over-65 and disability tax ceiling (freeze) as allowed by the Property Tax Code. The tax ceilings prohibit increased taxes on the homestead on existing improvements. Significant new structures or additions to existing improvements will cause the ceiling to be recalculated for the subsequent tax year.

The following charts/graphs show the effect of these exemptions as they relate to the total value eligible for homestead.





ORANGE COUNTY 2019 TAX RATE AND EXEMPTION CHART

TAXING ENTITY		TAX RATE per \$100	HOMESTEAD		OVER 65		DISABILITY	
			Local Option	STATE MANDATED	Local Option	STATE MANDATED	Local Option	STATE MANDATED
COUNTY WIDE	COUNTY	.539200	20%	0	25,000	0	25,000	0
	F/M	.002800	20%	3,000	25,000	0	25,000	0
	TOTAL COUNTY RATE	0.54200						
	DRAIN	.131600	20%	0	25,000	0	25,000	0
	PORT	.006860	20%	0	25,000	0	25,000	0
CITY	BRIDGE CITY	.553500	20%	0	22,000	0	22,000	0
	ORANGE	.806900	20%	0	15,000	0	15,000	0
	PINE FOREST	.060000	20%	0	20,000	0	20,000	0
	PINEHURST	.713930	20%	0	10,000	0	10,000	0
	PORT ARTHUR	.792000	20%	0	25,000	0	25,000	0
	ROSE CITY	.356420	20%	0	5,000	0	5,000	0
	VIDOR	.703710	20%	0	15,000	0	15,000	0
	WEST ORANGE	.470000	20%	0	17,000	0	17,000	0
SPECIAL DIST.	EMERGENCY SERV. DIST. #1 (ESD#1)	.100000	NONE	0	10,000	0	10,000	0
	EMERGENCY SERV. DIST. #2 (ESD#2)	.100000	NONE	0	15,000	0	15,000	0
	EMERGENCY SERV. DIST. #3 (ESD#3)	.060000	NONE	0	10,000	0	5,000	0
	EMERGENCY SERV. DIST. #4 (ESD#4)	.029100	NONE	0	5,000	0	5,000	0
	WATER CONTROL & IMP. DIST #1 (WCID#1)	.417010	NONE	0	10,000	0	5,000	0
SCHOOL	BRIDGE CITY I.S.D.	1.100000	NONE	25,000	10,000	10,000	NONE	10,000
	LITTLE CYPRESS-MAURICEVILLE C.I.S.D.	1.360000	15%	25,000	NONE	10,000	NONE	10,000
	ORANGEFIELD I.S.D.	1.178350	20%	25,000	NONE	10,000	NONE	10,000
	VIDOR I.S.D.	1.136100	15%	25,000	NONE	10,000	NONE	10,000
	WEST ORANGE-COVE C.I.S.D.	1.323350	20%	25,000	NONE	10,000	NONE	10,000



Notice and Equalization Process

In April 2019, the Orange County Appraisal District mailed all real property appraisal notices to the taxpayers of Orange County. Industrial, mineral and personal property notices were mailed in May of 2018. The appeal deadline for real property was May 15th. Since Personal Property is given until April 1st to file their renditions and that a mandatory extension of 30 days and a “good cause” extension of an additional 15 days are available, personal property notices cannot be mailed until after May 1st. All the notice deadlines set by the property tax code were met by the District.

The District began hearing informal appeals as soon as real property notices were mailed. Informal appeals allow the property owner an opportunity to meet with an appraisal district appraiser and discuss the appraisal on their property. The owner is given an opportunity to present evidence to the appraiser and to see how their property was appraised. If an error is discovered or if evidence is presented that changes the opinion of value, the appraiser can make a change to the appraisal. If an agreement is reached between the appraiser and the property owner, a Settlement Waiver of Protest is signed, and the appeal process is complete. If an agreement is not reached, a formal appeal is signed, and the property owner is scheduled for a hearing with the Appraisal Review Board.

Orange County Appraisal District began providing on-line appraisal appeals on real property accounts beginning in 2013. Using this process, the taxpayer is given an opportunity to file a protest and present evidence to the District for review. The information is then considered, and an offer is made to settle, or the taxpayer is informed that no change will be made, and the account will be scheduled for a formal hearing with the Appraisal Review Board. When compared with the informal hearing process, the results were very similar but did allow the taxpayer a method to be heard without having to physically come to the District’s office. For 2018 the district had 180 on-line protests.

The Orange County Appraisal Review Board (ARB) is a quasi-judicial body appointed by the Orange County Appraisal District Board of Directors. Members are charged with the function of providing an impartial review of the appraisal records prepared by the District. The ARB is empowered to hear taxpayer appeals through scheduled hearings for taxpayers who dispute the appraised value, the equality of their appraisal with similar properties, the application of exemptions and special appraisals and any other action of the District that may affect taxpayer liability. The ARB members do not work for the appraisal district but rather, arbitrate between the taxpayer and the District. The five members of the ARB are appointed by the District’s Board of Directors and serve two-year terms.



The 2019 Appraisal Review Board Members consisted of the following members:

James Sears

Michael Johnson

Glynis Gothia

Carolyn Rose

Melissa DuBois

Formal appeals for tax year 2019 began on May 14, 2019. A total of 12 hearing days were scheduled and 744 formal protests were placed on the ARB calendar to be heard. The results of the 2019 appeals process are as follows:

Results	Formal	Informal	Online	Total
Closed to open formal	0	83	130	213
No Action	49	423	8	480
No Show	111	417	1	529
Withdrew	256	90	6	352
CAD No Change/SW	92	1	1	94
CAD Change/SW	501	1343	96	1940
ARB No Change	95	21	0	116
ARB Change	86	13	0	99



Public Service

The Orange County Appraisal District strives to provide the taxpayers and taxing entities of Orange County an open and honest appraisal district. This has been accomplished in part, by providing timely and important press releases to the media regarding appraisal operations and deadlines as well as through the use of the District's updated website: www.orangecad.net. Orange County Appraisal District is very proud of the website and all that it provides to the public.

The Chief Appraiser, Scott Overton volunteers to speak on various topics pertaining to the operations of the district as well as topics of interest to senior citizens, service organizations and public entities. Recent topics have included: general operations, exemptions, hurricane appraisals and new legislation. This has given these citizens an opportunity to put a "face" with the appraisal district and an opportunity to ask questions one-on-one.

The District's employees are also involved in several public service activities outside of their day-to-day job-related duties. Our employees are involved in, and participate in the American Cancer Society survivor walk, the Granger Chevrolet 5K run for United Way, as well as serving as officers for the Three Rivers Chapter of The Texas Association of Appraisal Districts.

The District is also extremely proud of the quality service provided by our employees to our customers, the taxpayers and the taxing units. Our employees consistently go above-and-beyond to provide a courteous and helpful atmosphere. It is not uncommon to be given thanks and praise by our customers for outstanding service provided by employees.

As soon as the appraisal roll is certified, the information is presented to the Tax Assessor-Collector so that effective tax rates can be calculated. The Chief Appraiser also makes himself available to answer any questions. Our office also provides an employee to be available to assist the tax office personnel during peak times of the collection season.



Accomplishments

Methods and Assistance Program

Methods and Assistance Program reviews appraisal district governance, taxpayer assistance, operating and appraisal standards, and procedures and methodology at least once every 2 years. The Methods and Assistance Program review checks and ensures that appraisal districts are compliant with the International Association of Assessing Officers standards and Property Tax Division standards.

To acquire an "Exceeds" score, the District must receive a rating of over 100%. Orange County Appraisal District met the requirements in all categories.

In the 2017 M.A.P. Review the District met or exceeded all requirements. The next M.A.P. audit will be in 2019.

Property Value Study

The Property Value Study has two functions – to assess the median level of appraisal for an appraisal district and to determine if the values are at or near market value, for school funding purposes. This test of the district's values is performed every even-numbered year and as of the last study, the district has never been found to have values outside the required confidence intervals. This is done for equitable school funding. The state sends more money to those districts that are less able to raise money locally because of insufficient taxable property. Each appraisal district must have a ratio between 95% - 105%. The Orange County Appraisal District has worked diligently to ensure that our values consistently meet the requirements of the Texas Comptroller's Property Value Study.

Educational Requirements

The Orange County Appraisal District has been fortunate to maintain an appraisal staff that are all licensed by the Texas Department of Licensing and Regulation and designated as Registered Professional Appraisers. New licensing requirements mandate that these appraisers maintain a minimum of 30 hours of training in any given year and must be recertified every two years on the anniversary date of their original certification. The District's Board of Directors has ensured that the budget includes adequate funding to allow for the required training. In addition, requirements contained in the Methods and Assistance Program audit call for additional training of non-licensed employees in the area of public service and records retention. All these requirements have been met or exceeded.

Deadlines

The Texas Property Tax Code requires that several important deadlines be met each year. These include: 1) Preliminary estimates; 2) Appraisal Review Board approval of the appraisal roll; and 3) Certification of the appraisal roll. OCAD has met all deadlines in each of the past 10 years.



Open-Space Special Appraisal

The District has worked in conjunction with the Agricultural Committee to determine guidelines for the various types of agricultural uses of property in Orange County. These guidelines were used to question property owners who had applied for the special appraisal in previous years but did not fall into the guideline criteria. The property tax code allows the Chief Appraiser to require new applications when warranted and properties that were outside the guidelines were required to reapply

Over the past couple of years, the District's mapping department has worked to provide digital maps showing all properties currently receiving either open-space or timber appraisal. USDA soil types are also shown. As lease information is acquired, the properties under lease are shown on the maps as well.



For more information, visit our Website:

www.orangecad.net

For additional copies write:

Tahia Washington, Deputy Chief Appraiser

Orange County Appraisal District

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