



Ellis Appraisal District 2011 Annual Report



This is the first edition of the Ellis Appraisal District (EAD) Annual Report. The report includes information on the following areas that we believe are important to give you insight into the performance of your Appraisal District:

- Taxing Entities EAD Serves
- EAD Reappraisal Plan
- Comptroller's Property Value Study and Methods Assistance Program
- EAD Budget
- Growth Indicators
- Facilities
- Appeals, Arbitration and Litigation

Appraisal Districts were created and governed by the Texas Property Tax Code. The Code was created in 1979 by legislation known as the Peveto Bill. Prior to the creation of appraisal districts all taxing entities had their own appraisal staff. Properties were often listed on different taxing entities rolls at dramatically different appraised values and assessment ratios were also applied with no uniformity between entities. The Peveto Bill created one appraisal district within each county to appraise properties for all taxing entities at 100% market value with fairness and equality and abolished assessment ratios. The plan was to create a level playing field where no one would be subject to paying taxes based on more or less than their fair share.

Ellis Appraisal District is here to serve you through discovering, listing and appraising your property fairly and uniformly. The Appraisal District is *not a taxing entity* and *does not set tax rates or collect taxes*. The Appraisal District team has many responsibilities and we must be good stewards. We know that we are here to serve you, the property owners of Ellis County, and we are committed to performing our work with courtesy, professionalism and excellence.

Our hope is that through this report you will find that you are well served and gain a better understanding into the challenges and successes of your Ellis Appraisal District.

Kathy Rodrigue, RPA, RTA
Chief Appraiser

Taxing Entities Serve by the Ellis Appraisal District

EAD is an Appraisal District formed by the Texas Legislature in 1979 and is charged with the appraisal of all taxable property within Ellis County. There are 42 taxing entities partially or totally within the District's boundaries. Currently these taxing entities are as follows:

**Ellis County
Ellis County Lateral Road**

<u>Cities</u>	<u>School Districts</u>	<u>Special Districts</u>
City of Bardwell	Avalon ISD	Ellis County Emergency Service District #1
City of Cedar Hill	Ennis ISD	Ellis County Emergency Service District #2
City of Ennis	Ferris ISD	Ellis County Emergency Service District #3
City of Ferris	Frost ISD	Ellis County Emergency Service District #4
City of Garrett	Italy ISD	Ellis County Emergency Service District #5
City of Glenn Heights	Maypearl ISD	Ellis County Emergency Service District #6
City of Grand Prairie	Midlothian ISD	Ellis County Emergency Service District #7
City of Italy	Milford ISD	Ellis County Emergency Service District #8
City of Mansfield	Palmer ISD	Ellis County Emergency Service District #9
City of Maypearl	Red Oak ISD	Ellis County Fresh Water Supply District #2
City of Midlothian	Waxahachie ISD	
City of Milford		
City of Oak Leaf		
City of Ovilla		
City of Palmer		
City of Pecan Hill		
City of Red Oak		
City of Venus		
City of Waxahachie		

EAD as a Resource

Communication: We believe it is very important to keep the EAD Taxing Entities informed with timely delivery of a complete and accurate certified appraisal roll, weekly reports of changes, budget, reappraisal plan and audit reports and all other information that relates to EAD's service to them.

Compliance and Performance: We are pleased to file all reports related to property values and exemptions that are required by the Comptroller's Office for the Taxing Entities. We are also proud to have performed well in the State Property Value Study and the Methods Assistance Program Audit.

Sharing Technology: We are pleased through our contract with Pictometry to share digital ortho and oblique images and software with our Taxing Entities. This unique relationship provides for one purchase to benefit all those who pay into the EAD budget. These images can be used in many ways, such as planning, development, emergency management, etc.

Ellis Appraisal District Reappraisal Plan

The Board of Directors establishes a reappraisal plan in compliance with Section 6.05 of the Texas Property Tax Code. This plan is reviewed and adopted biennially to inform the public and taxing entities of the needs and progress of the appraisal process.

EAD is an Appraisal District formed by the Texas Legislature in 1979 and is charged with the appraisal of all taxable property within Ellis County. There are various taxing entities partially or totally within the District’s boundaries. The entities types are as follows:

<u>Entities</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
County/FM Road	2	2	2	2	2
Schools	11	11	11	11	10
Cities	19	19	19	19	13
Special Districts	10	9	10	10	10

EAD currently conducts reappraisal on a three-year rotation. While all property values are updated annually to reflect market values, one-third of the district is re-inspected every year. The re-inspection consists mainly of the use of Pictometry images and the geographic information system, augmented by the physical inspection of properties. The account breakdown is based on their location within an ISD.

<u>ISD's:</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Avalon			863		940
Ennis	15,637			15,172	
Ferris		6,371			
Frost			88		
Italy			2,230		2,302
Maypearl			3,012		
Midlothian			17,668		
Milford			1,125		1,560
Palmer		3,690			
Red Oak	12,441			11,749	
Waxahachie		21,524			18,552

<u>Account Breakdown:</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Single Family Residential	17,617	18,927	14,350	16,861	12,997
Multi Family Residential	352	323	133	351	290
Vacant Lots/Acreage	6,687	8,272	7,942	6,544	6,747
Comm/Indust Real & BPP	2,451	2,606	1,390	2,256	2,303
Utilities	155	196	274	178	205
Exempt Property	816	1,261	897	731	812
Total Accounts	28,078	31,585	24,986	26,921	23,354

For additional details please view the current Reappraisal Plan on the appraisal district website at www.elliscad.com.

Performance in Comptroller's Property Value Study and Methods Assistance Program

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Property Value Study</u>				
Yes/No	No	Yes	Yes	Yes
CAD Performance Measures				
Median Level of Appraisal	n/a	0.99	1.00	1.00
Coefficient of Dispersion	n/a	7.89	7.68	6.66
Price Related Differential	n/a	1.04	1.02	1.00
ISD's with Local Value Assignments	n/a	11	11	11
Avalon	32,860,759	33,437,778	32,211,601	33,076,001
Ennis	1,707,864,302	1,676,904,659	1,686,936,003	1,685,842,002
Ferris	17,065,181	296,543,973	304,892,563	303,075,813
Frost	1,601,816	1,611,105	1,319,849	1,626,169
Italy	95,155,230	97,441,383	97,957,956	98,361,576
Maypearl	264,700,371	258,668,048	245,375,816	208,404,453
Midlothian	2,631,981,767	2,729,448,277	2,773,739,708	2,527,146,032
Milford	50,679,868	49,165,908	51,413,316	34,000,726
Palmer	211,766,553	214,590,193	218,142,726	216,685,899
Red Oak	1,149,161,975	1,159,415,210	1,169,778,488	1,192,345,374
Waxahachie	2,721,417,949	2,731,854,934	2,755,361,573	2,686,284,732
	8,884,255,771	9,249,081,468	9,337,129,599	8,986,848,777

Method Assistance Program

2011

Mandatory Requirements

PASS/FAIL

- | | |
|---|------|
| 1. Does the appraisal district have up-to-date appraisal maps from which property may be located pursuant to Comptroller Rule 9.3002? | PASS |
| 2. Do property inspections match appraisal district records? | PASS |
| 3. Does the appraisal district have written procedures for appraisal? | PASS |
| 4. Are values reproducible using the written procedures and appraisal records? | PASS |
| 5. Were all appraisal district documents requested by PTAD made available to the reviewer by the required date? | PASS |

Appraisal District Activities

RATING

Governance	EXCEEDS
Taxpayer Assistance	EXCEEDS
Operating Procedures	EXCEEDS
Appraisal Standards, Procedures and Methodology	EXCEEDS

Appraisal District Ratings:

Exceeds – The total point score exceeds 100. Meets - The total point score ranges from 90-100.

Needs Improvement – The total point score ranges from 75 to < 90. Unsatisfactory - The total point score is < 75.

Ellis Appraisal District Budget

The chief appraiser each year prepares and presents to the Board of Directors and Taxing Entities information in compliance with Section 6.06 of the Texas Property Tax Code. The process of publication and adoption of the budget are all mandated by law. Each year, the Chief Appraiser prepares the proposed budget and schedules a workshop for the budget committee appointed by the Chairperson. The proposed budget is then presented to the full Board for review. By June 15th, the proposed budget is submitted to all taxing entities participating in the District. The Board shall hold a public hearing, make any changes to the proposed budget and approve the budget before September 15th. Presented below are the current and last three year’s budgets with value and entity levy information:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Ellis Appraisal District Budget	\$2,074,517.34	\$2,188,999.54	\$2,286,162.72	\$2,314,761.59
Number of Parcels	<u>79,410</u>	<u>80,028</u>	<u>81,577</u>	<u>81,802</u>
Residential	43,922	43,677	43,426	42,997
Commercial/Industrial	5,802	5,876	5,794	5,749
Farm/Ranch	13,117	13,111	13,830	14,348
Oil & Gas	1,365	1,420	998	439
Utilities	690	677	544	540
Exempt Properties	2,513	2,409	3,117	2,992
Other	12,001	12,858	13,868	14,737
\$/Parcel	\$26.12	\$27.35	\$28.02	\$28.30
Staff Positions	25	25	27	29
Professional Designations	9	6	6	2
Total Market Value	13,173,584,486	13,069,195,564	13,097,488,355	13,086,440,707
New Market Value	143,284,838	165,308,148	358,197,519	324,831,867
Levy Information				
County	42,449,430.45	41,997,468.10	40,155,062.09	40,347,828.95
ISD	141,441,199.29	140,219,638.23	137,593,883.00	136,877,798.26
City	46,899,732.13	46,185,171.96	46,407,075.76	45,856,854.44
Special Districts	1,917,276.63	1,915,890.37	1,933,361.16	1,831,684.37
Total	<u>232,707,638.49</u>	<u>230,318,168.66</u>	<u>226,089,382.00</u>	<u>224,914,166.01</u>
Percentage of Budget/Levy	0.89%	0.95%	1.01%	1.03%

The costs of District operations are shared by the various taxing entities participating in the District. Each taxing entity’s allocation is based on its tax levy relative to the total tax levy of all the participating taxing entities. The District’s budget is currently less than 1% of the entity’s levy.

The Board may use excess funds to build reserves for litigation or appropriately approved capital expenditures.

Growth Indicators

Ellis County is geographically located in the southern part of the Dallas/Fort Worth Metroplex and is poised for growth with four major transportation corridors. As the economy grows, so will Ellis County. While the last four years have been relatively flat in terms of value, there are still indications of growth as demonstrated by the following indicators:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Deed Transfers	5715	5176	5972	6149
Transfer Documents Reviewed	142,500	152,500	155,000	170,000
Volumes	57	61	62	68
Subdivisions or Replats	71	68	67	85
Residential Inventory	3,222	3,649	3,738	3,219
Personal Property Accounts	3384	3328	3342	3281
Building Permits	2,099	1,600	1,911	2,620
Residential	1,758	1,286	1,568	2,182
Commercial/Industrial	244	222	223	285
Other	97	92	120	153
Confirmed Sales	1,872	1,876	1,865	2,051
Market Transactions	1,322	1,376	1,300	1,674
Sales Confirmation Percentage	32.76%	36.24%	31.23%	33.36%
New Improvement Market Value	165,308,148	358,197,519	324,831,867	549,219,991
Single Family Residential	94,373,047	77,903,810	145,057,117	294,205,501
Multifamily Residential	6,228,440	18,374,480	25,917,480	1,906,400
Commercial/Industrial/Pipeline	39,715,571	184,490,889	127,588,570	102,330,600
Exempt	24,991,090	77,428,340	26,268,700	150,777,490
Special Appraisal				
Ag App Approved	648	696	507	
Ag App Denied	58	69	50	
Ag Rollback	81	14	76	
Partial Exemptions				
Homestead	34,009	33,528	33,004	31,892
Over 65	8,842	7,721	7,571	7,295
Disabled	1,246	1,239	1,210	1,133
Total Veterans	176	157	74	
Partial Veterans	1,040	1,005	996	952

Facilities

On August 26, 1994 the Board of Directors purchased the property at 400 Ferris Avenue for \$400,000. This purchase included an office originally constructed in 1964 that had a total of 8,799 square feet on 1.139 acres. At the time of the purchase, 3,254 square feet of the building was leased and the rent covered the cost of the note until the tenant moved out January 2003. In March 2003, the Board of Directors approved the \$39,012.07 payoff of the note. The purchased EAD facilities cost the property owners and taxing entities of Ellis County less than \$40,000.

In 2006, after a thorough study of the anticipated growth needs of the appraisal district, the Board of Directors in compliance with Section 6.051 of the Texas Property Tax Code, gained approval from the taxing entities to finance an expansion and renovation of the property.

Construction was completed in 2009 and financed by a 25 year note for \$974,873.10. In 2012, the Board of Directors authorized the payoff of the note. The current facility is a highly modernized, energy efficient professional office that should meet the needs of the appraisal district for the next 20 years.

Annual Utility Usage Summary Report

Listed below is an annual summary of our utility usage and expense. For a detailed monthly review prepared in compliance with Section 2265.001(b) of the Texas Government Code, please visit our website at www.ellisgad.com.

<u>Usage Year</u>	<u>Electricity</u>		<u>Natural Gas</u>		<u>Water</u>		<u>Irrigation</u>	
	KWk		ccf		100 cf		100 cf	
	Used	Cost	Used	Cost	Used	Cost	Used	Cost
2011	162,368	\$17,613.23	109	\$868.86	35,100	\$512.47	397,205	\$1,922.74
2010	171,912	\$17,637.29	140	\$1,166.20	38,500	\$519.76	389,400	\$1,728.21
2009	183,493	\$28,128.84	143	\$1,294.29	72,700	\$731.17	639,023	\$3,071.90

Excellence In Service

One of the biggest challenges any Appraisal District faces is the discovery and accurate listing of property. Most CADs physically inspect all properties in their district in accordance with their reappraisal plan and in some cases, the work load exceeds manpower.

Ellis Appraisal District is a leader in using technology to comply with the International Association of Assessing Officers standards. In the EAD reappraisal plan, all accessible new construction is scheduled for physical inspection in the year of construction and all other properties are first inspected using Images. Any accounts where Images are not sufficient to accurately list changes are coordinated with new construction to efficiently cover all physical inspections at once in a geographic area. We also were the first Appraisal District in Texas to use Change Detection software to discover changes from the previous year that might have otherwise been overlooked, thus avoiding omitted property assessments that are very difficult to receive and administer.

	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>CHANGE</i>
<i>Appraisers [Bdgt]</i>	<i>14</i>	<i>12</i>	<i>11</i>	<i>10</i>	<i>-28.57%</i>
<i>(Actual)</i>			<i>(9→8)</i>	<i>(8)</i>	<i>(-42.86%)</i>
<i>App Support</i>	<i>2</i>	<i>2</i>	<i>2</i>	<i>1</i>	<i>-50.00%</i>
<i>App Staff</i>	<i>\$711,561.76</i>	<i>\$684,615.75</i>	<i>\$622,669.58</i>	<i>\$545,257.79</i>	<i>-23.37%</i>
<i>Budget</i>					<i>-\$166,304</i>
<i>(Actual +/-)</i>					<i>(\$246,304)</i>
<i>Parcels</i>	<i>81,963</i>	<i>81,802</i>	<i>81,577</i>	<i>81,596</i>	
<i>Par/App [Bdgt]</i>	<i>5,854</i>	<i>6,817</i>	<i>7,416</i>	<i>8,160</i>	<i>+39.39%</i>
<i>(Actual)</i>			<i>(9,064)</i>	<i>(10,200)</i>	<i>(+74.24%)</i>
<i>Protests</i>	<i>9,177</i>	<i>7,156</i>	<i>5,425</i>	<i>4,979</i>	<i>-45.74%</i>

We are very proud of the improved accuracy and the cost savings that we have pioneered for those we serve. We will continue to pursue the use of technology to improve the quality and efficiency of the work we do and look forward to seeking additional savings as well.

Appeals, Arbitration and Litigation

The appraisal district sends out appraisal notices each year based on changes in value and the reappraisal plan. Property owners have a right to appeal the values if they believe it is over market value or appraised unequally compared with other like properties appropriately adjusted. Below are statistics related to this process:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Appeals Season</u>				
Settled With Staff	3,810	3,978	4,627	6,031
ARB Hearing	266	423	362	518
ARB -Owner Did Not Show	392	578	436	607
ARB Adjusted	144	285	222	326
ARB Sustained CAD	83	97	80	187
Property Type				
Single Family Residential	1,701	2,091	1,923	2,880
Multi Family Residential	159	145	194	383
Land	1,309	1,688	2,188	2,703
Commercial/Industrial	919	818	756	887
Utilities/Oil & Gas	380	237	364	303
Total Appeals	4,468	4,979	5,425	7,156
Notice Value	3,434,992,036	3,118,474,312	3,315,752,211	3,627,862,481
Adjusted Value	3,225,891,109	2,941,246,064	3,128,511,832	3,560,842,090
Difference	-209,100,927	-177,228,248	-187,240,379	-67,020,391
Percent Change	-6.09%	-5.68%	-5.65%	-1.85%
<u>Request for Arbitration Filed</u>	4	3	4	1
<u>Lawsuits Filed</u>	11	14	10	18



Our goal is to serve others the way we would like to be served and in keeping with the statement below, courtesy and efficiency are the main requirements of this office.

A PROPERTY OWNER

Is not dependent on us - We are dependent on them.

Is not an interruption of our work - **They are the purpose of it.**

Is not an outsider to our business - They are a part of it.

Is doing us a favor by letting us - Serve their needs.

A PROPERTY OWNER is the most important person in the world to us.

Courtesy and Efficiency are the main requirements of this office.

It is our hope that the Ellis Appraisal District Annual Report has revealed the stewardship the Board of Directors, Chief Appraiser and Staff exercise in the service of all Ellis County Property Owners and Taxing Entities. We are here to serve you and look forward to continued service with excellence.