



# Ellis Appraisal District 2014 Annual Report



This is the third 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  
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	
City of Midlothian	Waxahachie ISD	Ellis County Fresh Water Supply District #1
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. These entities are as follows:

<b>Entities</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
County/FM Road	2	2	2	2	2
Schools	11	11	11	11	11
Cities	19	19	19	19	19
Special Districts	10	9	9	9	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.

<b>ISD's:</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Avalon		790			863
Ennis			15,637		
Ferris	5,752			6,371	
Frost		73			88
Italy		1,990			2,230
Maypearl		2,846			3,012
Midlothian		18,848			17,668
Milford		975			1,125
Palmer	3,280			3,690	
Red Oak			12,441		
Waxahachie	20,149			21,524	

<b>Account Breakdown:</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Single Family Residential	19,154	15,560	17,617	18,927	14,350
Multi Family Residential	324	128	352	323	133
Vacant Lots/Acreage	5,894	5,587	6,687	8,272	7,942
Comm/Indust Real & BPP	2,664	1,515	2,451	2,606	1,390
Utilities/Minerals	235	1,708	155	196	274
Exempt Property	910	1,024	816	1,261	897
<b>Total Accounts</b>	<b>29,181</b>	<b>25,522</b>	<b>28,078</b>	<b>31,585</b>	<b>24,986</b>

For additional details please view the current Reappraisal Plan on the appraisal district website at [www.elliscad.com](http://www.elliscad.com).

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>Property Value Study</u></b>					
Yes/No	Yes	No	Yes	No	Yes
<b>CAD Performance Measures</b>	Preliminary				
Median Level of Appraisal	0.97	n/a	1.00	n/a	0.99
Coefficient of Dispersion	7.70	n/a	9.22	n/a	7.89
Price Related Differential	0.98	n/a	1.05	n/a	1.04
ISD's with Local Value					
Assignments	11	n/a	11	n/a	11
Avalon	35,963,087	35,305,971	33,875,399	32,860,759	33,437,778
Ennis	1,735,239,706	1,745,407,272	1,715,390,043	1,707,864,302	1,676,904,659
Ferris	296,674,418	239,320,008	288,678,067	291,275,314	296,543,973
Frost	2,236,337	2,010,641	1,659,682	1,601,816	1,611,105
Italy	98,257,036	95,511,169	95,030,089	95,155,230	97,441,383
Maypearl	268,586,521	267,896,212	266,973,923	264,700,371	258,668,048
Midlothian	2,937,114,066	2,729,856,688	2,629,708,985	2,631,981,767	2,729,448,277
Milford	54,291,243	52,932,979	51,932,257	50,679,868	49,165,908
Palmer	216,603,444	211,895,903	208,918,778	211,766,553	214,590,193
Red Oak	1,379,214,597	1,202,742,672	1,157,765,218	1,149,161,975	1,159,415,210
Waxahachie	2,942,603,078	2,777,589,925	2,738,296,129	2,721,417,949	2,731,854,934
	9,966,783,533	9,360,469,440	9,188,228,570	9,158,465,904	9,249,081,468

**Method Assistance Program**

**2013**

**Mandatory Requirements**

**PASS/FAIL**

- |  |      |
|--|------|
| 1. Does the appraisal district board of directors, through the chief appraiser, ensure that the appraisal district budget is prepared and followed according to Tax Code Chapter 6?                    | PASS |
| 2. Do the chief appraiser and the appraisal district staff communicate with the public concerning appraisal district duties and responsibilities and the role of taxpayers in the property tax system? | PASS |
| 3. Do the appraisal district personnel or contractors have the education, training and experience to perform the duties of the appraisal district?   | PASS |
| 4. Is the implementation of the appraisal district's most recent reappraisal plan current?   | 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 89. Meets - The total point score ranges from 80-89.

Needs Improvement – The total point score ranges from 70 to less than 80. Unsatisfactory - The total point score is less than 70.

We are proud to continue our high ratings as EAD earned these same achievements in the 2011 MAP Review.

## Ellis Appraisal District Budget

Each year the chief appraiser 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 is mandated by law. 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 15<sup>th</sup>, 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 are the 2014 and prior three year's budgets with value and entity levy information:

	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Ellis Appraisal District Budget	\$2,020,324.17	\$1,989,165.61	\$2,074,517.34	\$2,188,999.54
Number of Parcels	79,094	78,439	79,410	80,028
Residential	44,591	44,399	43,922	43,677
Commercial/Industrial	5,857	5,778	5,802	5,876
Farm/Ranch	14,603	13,989	13,117	13,111
Oil & Gas	1,450	1,093	1,365	1,420
Utilities	676	690	690	677
Exempt Properties	2,336	2,259	2,513	2,409
Other	9,581	10,231	12,001	12,858
\$/Parcel	\$25.54	\$25.36	\$26.12	\$27.35
Staff Positions	24	24	25	25
Professional Designations	9	9	9	6
Ellis County Market Value	14,038,683,914	13,387,235,390	13,173,584,486	13,069,195,564
Ellis County Taxable Value	11,135,359,902	10,680,338,099	10,386,783,016	10,300,059,387
New Market Value	370,006,560	232,798,012	143,284,838	165,308,148
New Taxable Value	249,744,603	213,873,077	121,856,160	138,453,553
Levy Information				
County	\$45,505,027.09	\$43,707,321.79	\$42,449,430.45	\$41,997,468.10
ISD	\$153,338,356.33	\$144,963,499.69	\$141,441,199.29	\$140,219,638.23
City	\$51,278,498.80	\$48,308,921.42	\$46,899,732.13	\$46,185,171.96
Special Districts	\$2,185,939.39	\$2,065,013.85	\$1,917,276.63	\$1,915,890.37
Total	\$252,307,821.62	\$239,044,756.75	\$232,707,638.49	\$230,318,168.66
Percentage of Budget/Levy	0.80%	0.83%	0.89%	0.95%

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:

<b><u>GROWTH INDICATORS</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Deed Transfers</b>	7,815	6,958	5,888	5,715	5,176
<b>Transfer Documents Reviewed</b>	175,000	180,000	167,500	142,500	152,500
<b>Volumes</b>	70	72	67	57	61
<b>Subdivisions or Replats</b>	126	102	83	71	68
<b>Residential Inventory</b>	2891	2,990	3,210	3,222	3,649
<b>Personal Property Accounts</b>	3,414	3,355	3,365	3,384	3,328
<b>Building Permits</b>	2,452	2,050	1,818	2,099	1,600
<b>Residential</b>	2,074	1,667	1,473	1,758	1,286
<b>Commercial/Industrial</b>	286	279	264	244	222
<b>Other</b>	92	104	81	97	92
<b>Confirmed Sales</b>	2,305	2,298	2,110	1,872	1,876
<b>Market Transactions</b>	2,149	2,042	1,635	1,322	1,376
<b>Sales Confirmation Percentage</b>	29.49%	33.03%	35.84%	32.76%	36.24%
<b>New Improvement Market Value</b>	370,006,560	232,798,012	143,284,838	165,308,148	358,197,519
<b>Single Family Residential</b>	170,894,280	121,463,100	88,472,360	94,373,047	77,903,810
<b>Multifamily Residential</b>	1,702,930	9,353,300	4,222,550	6,228,440	18,374,480
<b>Commercial/Industrial/Pipeline</b>	122,889,400	83,760,402	29,905,658	39,715,571	184,490,889
<b>Exempt</b>	74,519,950	18,221,210	20,684,270	24,991,090	77,428,340
<b>Special Appraisal</b>					
<b>Ag App Approved</b>	627	511	526	648	696
<b>Ag App Denied</b>	63	51	48	58	69
<b>Ag Rollback</b>	80	70	58	81	14
<b>Partial Exemptions</b>					
<b>Homestead</b>	34,212	33,657	33,911	34,009	33,528
<b>Over 65</b>	10,286	9,742	9,319	8,842	7,721
<b>Disabled</b>	1,282	1,245	1,261	1,246	1,239
<b>Total Veterans</b>	303	253	220	176	157
<b>Partial Veterans</b>	1,156	1,118	1,070	1,040	1,005
<b>Death Certificate Review</b>	720	768	292	(2012 partial year)	
<b>Address Changes</b>	2,593	2,158	2,424		

**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.elliscad.com](http://www.elliscad.com).

<u>Utility Use</u>	<u>Electricity</u>		<u>Natural Gas</u>		<u>Water</u>		<u>Irrigation</u>		<u>Total</u>
<u>Year</u>	<u>KWk</u>	<u>Cost</u>	<u>ccf</u>	<u>Cost</u>	<u>100cf</u>	<u>Cost</u>	<u>100cf</u>	<u>Cost</u>	<u>Cost</u>
2014	161,700	16956.11		1858.73	*103,700	\$675.28	258,500	1361.46	\$20,851.58
2013	165,720	\$18,864.02	222	\$1,028.31	34,800	\$545.00	288,100	\$1,468.81	\$21,906.14
2012	159,060	\$15,695.20	94	\$765.37	42,700	\$591.13	327,700	\$1,759.99	\$18,811.69
2011	162,368	\$17,613.23	109	\$868.86	35,100	\$512.47	397,205	\$1,922.74	\$20,917.30
2010	171,912	\$17,637.29	140	\$1,166.20	38,500	\$519.76	389,400	\$1,728.21	\$21,051.46
2009	183,493	\$28,128.84	143	\$1,294.29	72,700	\$731.17	639,023	\$3,071.90	\$33,226.20

\* Water Leak (City Leakage Abatement)



*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>2014</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>	<i>2010</i>	<i>CHANGE</i>
<i>Appraisers</i>	<i>10</i>	<i>10</i>	<i>10</i>	<i>10</i>	<i>11</i>	<i>-9.09%</i>
<i>[Budget]</i>						
<i>(Actual)</i>	<i>9</i>	<i>9</i>	<i>9</i>	<i>8</i>	<i>(9→8)</i>	
<i>App Support</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>2</i>	<i>-50.00%</i>
<i>App Staff</i>	<i>\$590,126</i>	<i>\$554,809</i>	<i>\$559,920</i>	<i>\$545,258</i>	<i>\$622,670</i>	<i>-5.23%</i>
<i>Budget</i>						<i>(\$32,544)</i>
<i>Parcels</i>	<i>79,094</i>	<i>78,439</i>	<i>79,410</i>	<i>80,028</i>	<i>81,577</i>	<i>-3.04%</i>
<i>Par/App</i>	<i>7,909</i>	<i>7,844</i>	<i>7,941</i>	<i>8,003</i>	<i>7,416</i>	<i>6.65%</i>
<i>[Budget]</i>						
<i>(Actual)</i>	<i>8,788</i>	<i>8,715</i>	<i>8,823</i>	<i>10,004</i>		<i>-12.15%</i>
<i>Protests</i>	<i>5,385</i>	<i>4,106</i>	<i>4,468</i>	<i>4,979</i>	<i>5,425</i>	<i>-0.74%</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>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>Appeals Season</u></b>					
Settled With Staff	4,727	3,550	3,810	3,978	4,627
ARB Hearing	205	173	266	423	362
ARB -Owner Did Not Show	453	383	392	578	436
ARB Adjusted	101	61	144	285	222
ARB Sustained CAD	104	112	83	97	80
<b>Property Type</b>					
Single Family Residential	2,806	1,555	1,701	2,091	1,923
Multi Family Residential	187	163	159	145	194
Land	1,086	1,024	1,309	1,688	2,188
Commercial/Industrial	883	835	919	818	756
Utilities/Oil & Gas	423	463	380	237	364
Total Appeals	5,385	4,106	4,468	4,979	5,425
Notice Value	3,913,369,598	3,335,928,659	3,434,992,036	3,118,474,312	3,315,752,211
Adjusted Value	3,784,089,467	3,142,103,350	3,225,891,109	2,941,246,064	3,128,511,832
Difference	-129,280,131	-190,825,309	-209,100,927	-177,228,248	-187,240,379
Percent Change	-3.30%	-5.81%	-6.09%	-5.68%	-5.65%
<b><u>Request for Arbitration</u></b>					
<b><u>Filed</u></b>	1	1	4	3	4
<b><u>Lawsuits Filed</u></b>	8	8	11	14	10



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.