



Ellis Appraisal District 2020 Annual Report



This is the tenth 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 43 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 Alma	Avalon ISD	Ellis County Emergency Service District #1
City of Bardwell	Ennis ISD	Ellis County Emergency Service District #2
City of Cedar Hill	Ferris ISD	Ellis County Emergency Service District #3
City of Ennis	Frost ISD	Ellis County Emergency Service District #4
City of Ferris	Italy ISD	Ellis County Emergency Service District #5
City of Garrett	Maypearl ISD	Ellis County Emergency Service District #6
City of Glenn Heights	Midlothian ISD	Ellis County Emergency Service District #7
City of Grand Prairie	Milford ISD	Ellis County Emergency Service District #8
City of Italy	Palmer ISD	Ellis County Emergency Service District #9
City of Mansfield	Red Oak ISD	
City of Maypearl	Waxahachie ISD	Ellis County Fresh Water Supply District #1
City of Midlothian		Midlothian Municipal Management Dist #3
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:					
Entities	2020	2019	2018	2017	2016
County/FM Road	2	2	2	2	2
Schools	11	11	11	11	11
Cities	20	20	20	20	20
Special Districts	11	11	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.					
ISD's:	2020	2019	2018	2017	2016
Avalon		746			765
Ennis			13,930		
Ferris	5,615			5,590	
Frost		66			71
Italy		1,944			1,941
Maypearl		2,892			2,755
Midlothian		21,544			18,334
Milford		933			944
Palmer	3,233			3,205	
Red Oak			11,811		
Waxahachie	21,201			20,148	
Account Breakdown:					
Single Family Residential	20,592	19,306	18,267	20,446	15,087
Multi Family Residential	336	165	356	330	138
Vacant Lots/Acreage	5,221	5,305	3,938	4,403	5,296
Comm/Indust Real & BPP	2,902	1,740	2,343	2,745	1,502
Utilities/Minerals	222	288	217	200	1,784
Exempt Property	776	1,321	620	819	1,005
Total Accounts	30,049	28,125	25,741	28,943	24,812

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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Property Value Study					
Yes/No	Yes	Yes	Yes	No	Yes
	Preliminary				
CAD Performance Measures					
Median Level of Appraisal	1.00	n/a	0.97	n/a	0.99
Coefficient of Dispersion	9.63	n/a	10.73	n/a	6.12
Price Related Differential	0.98	n/a	1.01	n/a	1.00
ISD's with Local Value Assignments	11	10	5	n/a	11
Avalon	54,343,569	44,384,090	37,704,631	36,619,680	36,627,860
Ennis	2,530,186,438	2,359,232,524	2,021,602,286	1,925,642,392	1,863,144,264
Ferris	535,066,782	474,699,986	381,199,788	335,421,060	302,374,967
Frost	3,149,815	2,772,167	2,348,191	2,340,678	2,547,979
Italy	172,433,575	148,304,804	124,278,568	111,831,029	107,297,898
Maypearl	458,622,963	393,981,981	346,144,663	310,283,639	287,593,029
Midlothian	5,253,731,079	4,748,005,971	4,201,159,640	3,823,934,553	3,466,925,920
Milford	77,595,893	69,194,872	53,981,285	50,800,202	51,017,578
Palmer	371,102,108	349,292,050	284,092,936	252,408,668	230,928,626
Red Oak	2,289,353,605	2,049,417,622	1,789,990,818	1,635,785,031	1,490,766,885
Waxahachie	5,125,875,092	4,524,223,602	3,950,161,538	3,632,221,479	3,318,576,781
	16,871,460,919	15,163,509,669	13,192,664,344	12,117,288,411	11,175,914,367
Method Assistance Program				2019	2017
Mandatory Requirements				PASS/FAIL	PASS/FAIL
1. Does the appraisal district have up-to-date appraisal maps?				PASS	PASS
2. Is the implementation of the appraisal district's most recent reappraisal plan current?				PASS	PASS
records up-to-date and is the appraisal practices in the valuation of property?				PASS	PASS
4. Are values reproducible using the appraisal district's written procedures and appraisal records?				PASS	PASS
Appraisal District Activities				RATING	RATING
Governance				MEETS ALL	MEETS ALL
Taxpayer Assistance				MEETS ALL	MEETS ALL
Operating Procedures				MEETS ALL	MEETS ALL
Appraisal Standards, Procedures and Methodology				MEETS ALL	MEETS ALL
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.					
We are proud to continue our high ratings as EAD earned these same achievements in the 2011, 2013, 2015 and 2017 MAP Reviews.					

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 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 are the 2020 and prior four years budgets with value and entity levy information:

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Ellis Appraisal District Budget	\$2,764,892.66	\$2,606,235.21	\$2,456,166.85	\$2,340,231.51	\$2,189,596.48
Number of Parcels	90,233	87,182	85,100	83,111	81,262
Residential	54,377	52,431	49,725	48,124	46,668
Commercial/Industrial	6,578	6,427	6,378	6,201	6,085
Farm/Ranch	15,809	14,719	14,856	15,377	14,997
Oil & Gas	1,160	1,403	1,330	1,012	1,257
Utilities	664	675	671	668	666
Exempt Properties	2,701	2,496	2,350	2,612	2,504
Other	8,944	9,031	9,790	9,117	9,085
\$/Parcel	\$30.64	\$29.89	\$28.86	\$28.16	\$26.94
Staff Positions	28	27.5	26	25	24
Professional Designations	7	6	6	6	7
Ellis County Market Value	24,970,221,086	22,091,892,965	19,321,690,740	17,591,197,082	16,195,477,490
Ellis County Taxable Value	19,463,854,137	17,592,041,486	15,355,774,687	14,040,948,509	12,972,185,399
New Market Value	1,140,001,372	775,673,350	640,609,261	429,775,900	424,284,278
New Taxable Value	996,120,877	689,909,660	558,986,224	399,092,099	399,322,427
Levy Information					
County	\$66,733,572.50	\$62,046,824.57	\$55,862,031.49	\$54,217,319.00	\$52,709,593.53
ISD	\$239,049,851.61	\$225,139,388.45	\$207,421,326.23	\$190,560,821.80	\$175,920,528.12
City	\$93,038,898.20	\$84,813,523.81	\$75,004,485.32	\$66,141,490.32	\$60,864,946.97
Special Districts	\$4,217,666.70	\$3,852,131.09	\$3,387,936.16	\$3,448,159.44	\$3,198,653.96
Total	\$403,039,989.02	\$375,851,867.91	\$341,675,779.20	\$314,367,790.56	\$292,693,722.58
Percentage of Budget/Levy	0.69%	0.69%	0.72%	0.74%	0.75%
Levy Increase Over Prior Year	7.23%	10.00%	8.69%	7.41%	7.07%
NCTCOG Population (Estimated)	197,780	190,170	183,700	173,760	169,050
Growth Rate	4.00%	3.52%	5.72%	2.79%	2.24%

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. Below are some statistics that indicate growth in the following areas:

GROWTH INDICATORS	2020	2019	2018	2017	2016
NCTCOG Population (Estimated)	197,780	190,170	183,700	173,760	169,050
Growth Rate	4.00%	3.52%	5.72%	2.79%	2.24%
Deed Transactions	11,034	9,979	10,921	9,860	8,397
Property ID's Transferred	11,774	11,167	11,081	10,462	9,380
Instruments (2015 Volumes/Instuments)	48,841	39,659	38,341	36,979	35,380
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Subdivisions or Replats	187	159	176	140	105
Residential Inventory	3,738	3,754	3,537	3,090	2,899
Personal Property Accounts	3,900	3,828	3,814	3,692	3,591
Building Permits	5,183	4,378	4,210	4,115	3,299
Residential	4,548	3,744	3,545	3,237	2,865
Commercial/Industrial	199	299	347	300	325
Other	436	335	318	578	109
Confirmed Sales	4,027	3,900	3,690	3,688	3,316
Market Transactions	3,960	3,847	3,597	3,497	3,130
Sales Confirmation (% of Deed Transactions)	36.50%	39.08%	33.79%	37.40%	39.49%
New Improvement Market Value	1,140,001,372	775,673,350	640,609,261	429,775,930	424,284,278
Single Family Residential	621,550,374	565,122,920	500,003,120	367,022,140	284,455,420
Multifamily Residential	47,180,800	60,003,710	16,896,930	1,251,080	1,431,050
Commercial/Industrial/Pipeline	366,214,882	87,562,230	52,643,421	48,107,300	119,296,198
Exempt	105,055,316	62,984,490	71,065,790	13,395,410	19,101,610
Special Appraisal					
Ag App Approved	1,547	1,474	690	532	622
Ag App Denied	187	180	54	64	63
Ag Rollback	168	230	296	306	144
Partial Exemptions					
Homestead	40,676	39,331	37,725	36,319	34,809
Over 65	13,708	12,853	12,181	11,577	11,083
Disabled	1,599	1,547	1,475	1,414	1,346
Total Veterans	899	741	629	533	437
Partial Veterans	1,726	1,580	1,435	1,358	1,231
Death Certificate Review	1,555	1,029	778	973	907
Address Changes	7,019	6,556	4,580	3,029	2,403

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 foreseeable future.

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.

Utility Use	Electricity		Natural Gas		Water		Irrigation		Total
Year	KWk	Cost	ccf	Cost	100cf	Cost	100cf	Cost	Cost
2020	156,240	\$13,578.39	1,035	\$1,158.35	47,300	\$800.75	*6,000	\$ 42.46	\$15,579.95 *
2019	166,060	\$14,706.94	1,348	\$1,253.02	43,200	\$757.87	192,100	\$1,299.35	\$18,017.18
2018	166,440	\$16,196.39	1,806	\$1,729.76	49,000	\$770.16	177,200	\$1,193.52	\$19,889.83
2017	144,120	\$18,963.46	824	\$1,155.81	44,100	\$687.99	241,900	\$1,426.65	\$22,233.91
2016	151,980	\$14,389.14	836	\$1,002.03	38,600	\$636.65	334,600	\$1,879.41	\$17,907.23
2015	158,400	\$15,021.73	1,473	\$1,440.20	76,500	\$912.62	256,100	\$1,446.23	\$18,820.78
* Water turned off due to Hwy 77 Road Construction & COVID-19 Partial Office Closure Reduced Expenses									

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 existing 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. With the growth in Ellis County, we are proud that the changes to our budget for the appraisal staff have been modest.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>AVERAGE CHANGE OVER 5 YEARS</u>
<i>Appraisers [Budget]</i>	13	11	11	11	11	3.64%
<i>(Actual)</i>	13	11	11	10	9	4.44%
<i>App Support</i>	0	2	2	2	1	20.00%
<i>App Staff Budget</i>	\$856,234	\$861,711	\$799,148	\$764,392	\$721,477	7.88%
<i>Market Value</i>	24,970,221,086	22,091,892,965	19,321,690,740	17,591,197,082	16,195,477,490	11.47%
<i>Parcels</i>	90,233	87,182	85,100	83,111	81,262	2.05%
<i>Par/App [Budget]</i>	6,941	7,926	7,736	7,556	7,387	0.04%
<i>(Actual)</i>	6,941	7,926	7,736	8,311	9,029	-1.96%
<i>Protests</i>	15,196	15,197	11,198	9,473	6,301	36.44%

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 ownership, value and the reappraisal plan. Property owners have a right to appeal information on their notices. Most appeals are filed because a property owner believes their value is over market value or appraised unequally compared with other like properties appropriately adjusted. Below are statistics related to this appeals process:

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Appeals Season					
Settled With Staff	7,499	10,317	8,580	7,498	5,227
ARB Hearing	6,054	1,867	862	591	401
ARB No Show/Declined	3,718	3,013	1,756	1,384	673
ARB Adjusted	5,040	1,050	297	239	132
ARB Sustained CAD	999	817	565	352	269
Property Type					
Single Family Residential	13,621	10,286	8,069	6,599	3,860
Multi Family Residential	653	676	256	440	149
Land	2,021	1,733	1,051	1,069	887
Commercial/Industrial	2,094	1,886	1,156	1,107	956
Utilities/Oil & Gas	575	616	666	258	449
Total Appeals	18,964	15,197	11,198	9,473	6,301
Notice Value	9,542,407,939	7,950,991,619	6,128,338,338	6,211,137,687	4,162,103,666
Adjusted Value	8,840,485,874	7,313,823,350	5,431,316,540	5,677,302,080	4,021,730,424
Difference	-701,922,065	-637,168,269	-697,021,798	-533,835,607	-140,373,242
Percent Change	-7.36%	-8.01%	-11.37%	-8.59%	-3.37%
Request for Arbitration Filed	50	15	5	4	1
Lawsuits Filed	64	42	14	13	11



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.