



VAN ZANDT COUNTY APPRAISAL DISTRICT

2018 ANNUAL REPORT

INTRODUCTION

The Van Zandt County Appraisal District is a political subdivision of the state. The Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the operations of the appraisal district.

MISSION

The mission of Van Zandt County Appraisal District is to discover, list, and appraise property accurately, ethically, and uniformly within the boundaries of the district for ad valorem tax purposes. The District ensures that each taxpayer is given the same consideration, information, and assistance as the next. This is accomplished by consistently administering property tax system laws and operating under the standards of:

- The Property Tax Assistance Division of the Texas State Comptroller's Office (PTAD)
- The International Association of Assessing Officers (IAAO)
- The Uniform Standards of Professional Appraisal Practice (USPAP)

GOVERNANCE

The appraisal district is governed by a Board of Directors whose primary responsibilities are to:

- Establish the District's office
- Adopt an operating budget annually
- Contract for necessary services
- Hire the Chief Appraiser
- Appoint the Appraisal Review Board
- Provide advice and consent to the Chief Appraiser concerning the appointment of an Agricultural Advisory Board
- Approve contracts with appraisal firms selected by the chief appraiser to perform appraisal services for the District
- Adopt general policies on the District's operations
- Biennially adopt a written plan for the periodic reappraisal of all property within the District's boundaries

To be eligible to serve on the Board of Directors, a person must have resided within the boundaries of the county for at least two years prior to their appointment. Member terms are not staggered. There are no legal limits to the number of terms a board member can serve.

The Chief Appraiser is the chief administrator of the appraisal district and is appointed by the Board of Directors. The Chief Appraiser must be licensed as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing.

Members to the Appraisal Review Board are appointed by the Board of Directors. ARB members serve two-year staggered terms. They are limited by law to serving three consecutive 2-year terms. They are required to attend educational instruction by the Texas Comptroller. Their responsibility is to make determinations in appeals, hear motions for corrections, and to approve the appraisal records annually. Their decisions regarding value are binding to the Chief Appraiser for the tax years under protest.

The Ag Advisory Board is appointed by the Board of Directors at the recommendation of the Chief Appraiser to aide him/her in determining typical practices and standards for agricultural activities in the District. They serve at the pleasure of the Board of Directors.

TAXING JURISDICTIONS

The Van Zandt County Appraisal District is responsible for appraising all properties for each of the taxing jurisdictions that have territory located within the 855 square miles of Van Zandt County. The following taxing jurisdictions reside within Van Zandt County:

Canton ISD	Van Zandt County	Emergency Services District #1
Edgewood ISD	City of Canton	Emergency Services District #2
Grand Saline ISD	City of Edgewood	Emergency Services District #3
Fruitvale ISD	City of Grand Saline	Emergency Services District #4
Martins Mill ISD	City of Van	
Van ISD	City of Wills Point	
Wills Point ISD	Trinity Valley Community College	
Athens ISD	Tyler Junior College	
Brownsboro ISD		
Eustace ISD		
Lindale ISD		
Mabank ISD		

LEGISLATIVE CHANGES

Van Zandt County Appraisal District reviews all legislation after each session that may affect the District's operations. Once laws are passed, the District responds in a timely manner updating records, forms, policies, and procedures as warranted. The District also seeks to stay abreast and timely respond to administrative rule changes. Employees regularly attend seminars and courses for the purpose of staying informed, planning, and implementing required changes to new legislation, statutes, and rules.

PROPERTY TYPES AND USES APPRAISED

The district is comprised of some 53,000 parcels. A large majority of accounts are rural land related to agriculture. However, rural land is consistently being developed, resulting in land slowly transitioning to residential use. The eastern part of the county contains a significant amount of gas, oil, and salt production; otherwise industrial property is limited to small scale manufacturing located in and around the county's major cities. The majority of commercial use property can be found in the cities of Canton, Wills Point, Van, and Grand Saline.

The following represents a summary of property types appraised by the district for 2018:

PTAD Classification	Property Type	Count	Market Value	Percentage
A	Single-Family Residential	13,747	\$1,180,395,153	24.06%
B	Multi-Family Residential	127	\$21,320,500	0.43%
C	Vacant Land (< 5ac)	5,255	\$33,784,290	0.69%
D1	Qualified Open Space "Ag" Land	14,649	\$1,576,551,190	32.14%
D2	Farm/Ranch Improvement on Qualified Land	2,656	\$32,310,770	0.66%
E	Non-Qualified Rural Land & Improvements	12,484	\$1,239,847,320	25.27%
F	Commercial & Industrial Real Property	1,686	\$289,868,158	5.91%
G	Mineral (Oil & Gas) Property	2,868	\$35,615,011	0.73%
J	Utilities	410	\$140,057,996	2.86%
L	Commercial & Industrial Personal Property	2,682	\$190,432,179	3.88%
M	Mobile Homes	1,064	\$25,172,980	0.51%
O	Residential Inventory	262	\$2,229,460	0.05%
S	Dealer's Special Inventory	44	\$9,028,613	0.18%
X	Exempt Property	1,379	\$129,059,510	2.63%

PROPERTY DISCOVERY

The district aggressively works to discover all newly constructed or added property, demolished property, or property that has been changed or renovated each year through examination of:

- City building permits
- Filed Material/Mechanic's Liens
- Mobile home installation reports
- Septic tank permits
- Fee appraisals
- Electric connection reports
- Public "word of mouth"
- Railroad Commission Reports (oil/gas)
- Aerial Imagery
- Sales letters
- On-site field inspections

APPRAISAL OPERATION SUMMARY

During the 2018 tax year the District's appraisers conducted thorough on-site and aerial imagery inspections to ensure proper discovery, uniform classification, and accurate measurement of all property. Cost schedules were reviewed and updated from generally accepted cost publications. Market sales and income data was collected, validated, analyzed, and finally used to calibrate the District's valuation models. Internal sales ratio testing of the District's final value conclusions resulted in the following metrics of accuracy, uniformity, and bias.

Median level of appraisal	99.8	Mean level of appraisal	100.0	Weighted mean level of appraisal	99.4
	Coefficient of dispersion	13.6	Price related differential	1.007	

Based upon the Mass Appraisal Standards adopted by the International Association of Assessing Officers, the above statistics indicate that the District's mass appraisal system is functioning very well. A complete description of these statistics is contained in the District's 2018 Mass Appraisal Report.

The District did not undergo a Property Value Study (PVS) by the State Comptroller's Property Tax Assistance Division (PTAD) for the 2018 tax year, as this external testing is administered on a biennial basis. The overall final results of the most recent study conducted for the 2017 tax year are as follows:

Median level of appraisal	99.0	Coefficient of dispersion	11.52	Price related differential	1.01
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The State Comptroller's Property Tax Assistance Division did administer a review of the District's governance, taxpayer assistance, operating procedures and appraisal standards, procedures and methodology for the 2018 tax year in a study called the Methods and Assistance Program. At the time this annual report is made, only preliminary results have been made available by PTAD. The preliminary results indicate that the District meets or exceeds the mandatory standards tested in four broad based multi-part questions, and additionally meets or exceeds the recommended standards in 78 of the 80 multi-part Tier 2 questions tested. The two questions where the District was found not to meet the recommended standard during the initial review were immediately corrected. It is expected that the District's final report released in January 2019 will demonstrate that the District meets or exceeds all criteria examined.

EXEMPTION DATA

Property owners may qualify for a variety of exemptions as provided by the Texas Constitution. Some of the most commonly occurring exemptions are described below. Other less commonly occurring exemptions are available and described in the Texas Property Tax Code, Chapter 11.

RESIDENTIAL HOMESTEAD

The following chart provides exemption amounts available to homeowners who qualify for this exemption on home sites with a maximum of 20 acres:

Jurisdiction	General	Over-65	Disability	100% Disabled Veteran	Over-65 Surviving Spouse
Van Zandt County	20% (min. \$5,000)	\$3,000	\$3,000	100%	\$3,000
Canton City	20% (min. \$5,000)	\$9,000	\$9,000	100%	\$9,000
Edgewood City	-0-	\$3,000	\$3,000	100%	\$3,000
Grand Saline City	-0-	-0-	-0-	100%	-0-
Van City	20% (min. \$5,000)	\$3,000	\$3,000	100%	\$3,000
Wills Point City	-0-	\$5,000	\$5,000	100%	\$5,000
Canton ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000
Edgewood ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000
Fruitvale ISD	\$25,000 20% (min. \$5,000)	\$10,000	\$10,000	100%	\$10,000
Grand Saline ISD	\$25,000 20% (min. \$5,000)	\$10,000	\$10,000	100%	\$10,000
Martins Mill ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000
Van ISD	\$25,000 20% (min. \$5,000)	\$10,000	\$10,000	100%	\$10,000
Wills Point ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000
TJC	-0-	\$20,000	\$20,000	100%	\$20,000
TVCC	-0-	\$15,000	\$10,000	100%	\$10,000
Emergency Services Dist. #1	-0-	-0-	-0-	100%	-0-
Emergency Services Dist. #2	-0-	-0-	-0-	100%	-0-
Emergency Services Dist. #3	-0-	-0-	-0-	100%	-0-
Emergency Services Dist. #4	-0-	-0-	-0-	100%	-0-
Lindale ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000
Mabank ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000
Eustace ISD	\$25,000 20% (min. \$5,000)	\$10,000	\$10,000	100%	\$10,000
Brownsboro ISD	\$25,000 20% (min. \$5,000)	\$10,000	\$10,000	100%	\$10,000
Athens ISD	\$25,000	\$10,000	\$10,000	100%	\$10,000

For school tax purposes, the over 65, disability, surviving spouse, and 100% disabled veteran residential homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead of existing buildings (any new areas added to the home site will cause the ceiling to be readjusted and set in the subsequent tax year).

All homeowners who qualify for the residential homestead exemption are subject to the placement of a homestead cap on their qualifying property which prohibits the increase of taxable value on the homestead property beyond ten percent per year. However, the market value will still be reflective of the local real estate market.

DISABLED VETERANS

In addition to the residential homestead exemption allowable to disabled veterans with a 100% service connected disability (as described above), disabled veterans are allowed a general exemption on any property they own based upon the disability percentage rating as determined by the Department of Veteran's Affairs. Current exemption amounts, as based upon these ratings, are:

Percentage Disability	Exemption Amount
10-29%	5,000
30-49%	7,500
50-69%	10,000
70-100%	12,000

OTHER EXEMPTIONS

Other commonly occurring exemptions are:

- Cemetery Exemptions
- Religious Organizations
- Primarily Charitable Organizations
- Veteran's Organizations

Other less frequently occurring exemptions are allowable and described in Chapter 11, Property Tax Code.

APPEAL INFORMATION

State law requires the District to mail Notices of Appraised Value to property owners where:

- New property has been included for the first time on the appraisal roll
- There has been an ownership change
- There has been an increase in taxable value
- The property owner filed a rendition statement of the property
- The property has been annexed or de-annexed to a taxing jurisdiction

In compliance with these laws, the District prepared and delivered required notices for:

- 23,175 real estate parcels
- 2,755 commercial personal property parcels, and
- 3,505 mineral/utility/industrial parcels

From those notices, 1,770 parcels were protested with the following characteristics:

Description	Parcel Count
Value is over market value	1,158
Value is unequal compared with other properties	365
Property should not be taxed	3
Failure to send required notice	1
Other	155
Exemption was denied, modified, or cancelled	5
Change of land use	24
Open Space Land valuation was denied, modified, or cancelled	50
Owner's name is incorrect	6
Property should not be taxed in a taxing unit	3

The final results of these protests were:

Description	Parcel Count
Protest withdrawn	130
Protest settled	1,448
Case dismissed for failure (of taxpayer/agent) to appear at hearing	143
ARB ordered no change to the appraisal record	24
ARB ordered a change to the appraisal record	25
Hearing Rescheduled until January, 2019	0

CERTIFIED VALUES

The Chief Appraiser certified market & taxable values to the taxing jurisdictions on 07/16/2018. The following totals were used as the basis for calculation of the taxing entities' effective tax rates on 7/23/2018.

Tax Entity	Parcel Count	Market Value	Taxable Value
Van Zandt County	52,725	4,905,673,130	2,839,519,511
Canton City	2,956	370,300,809	306,336,887
Edgewood City	1,130	67,952,909	60,716,379
Grand Saline City	1,773	100,899,749	88,456,516
Van City	2,863	147,083,585	122,733,165
Wills Point City	2,301	166,642,496	143,435,717
Canton ISD	10,689	1,250,560,422	780,853,292
Edgewood ISD	5,171	455,443,096	259,847,634
Fruitvale ISD	1,602	125,496,086	50,773,427
Grand Saline ISD	5,394	542,792,192	266,104,005

Tax Entity	Parcel Count	Market Value	Taxable Value
Martins Mill ISD	2,266	254,944,263	116,595,282
Van ISD	13,874	1,035,449,697	534,065,237
Wills Point ISD	10,686	899,706,195	526,174,369
Tyler Junior College	13,278	1,137,999,236	713,767,692
Trinity Valley Community College	2,431	231,531,204	123,241,881
Emergency Services District #1	1,749	200,744,936	109,436,346
Emergency Services District #2	4,760	472,804,426	306,906,075
Emergency Services District #3	6,844	788,103,084	445,786,187
Emergency Services District #4	7,976	721,847,954	476,765,554
Lindale ISD	130	15,739,491	6,552,601
Mabank ISD	1,741	200,161,906	93,434,099
Eustace ISD	84	8,974,957	3,489,461
Brownsboro ISD	607	22,411,251	10,415,358
Athens ISD	738	90,158,331	39,932,148

These values reflect an overall market value increase of 5.14 percent for the county from the previous year's value.

TAX RATES

Using the taxable values as certified by the Chief Appraiser and following the requirements of the Truth in Taxation Laws, the taxing jurisdictions adopted the following tax rates (per \$100):

Tax Entity	M & O	I & S	Total Rate
Canton City	0.2414000	0.2536000	0.4950000
Canton ISD	1.0400000	0.4310000	1.4710000
Edgewood City	0.5737830	0.0808170	0.6546000
Edgewood ISD	1.1700000	0.1440000	1.3140000
Fruitvale ISD	1.1700000	0.0900000	1.2600000
Grand Saline City	0.5892934	0.3507066	0.9400000
Grand Saline ISD	1.1700000	0.2800000	1.4500000
Martins Mill ISD	1.0400000	0.1425500	1.1825500
Van City	0.4561500	0.1688500	0.6250000
Van ISD	1.1700000	0.3764000	1.5464000
Wills Point City	0.5700000	0.2500000	0.8200000
Wills Point ISD	1.1370600	0.0000000	1.1370600
Tyler Junior College	0.1580000	0.0419260	0.1999260
Trinity Valley College	0.1385400	0.0000000	0.1385400
ESD #1	0.0300000	0.0000000	0.0300000
ESD #2	0.0821449	0.0000000	0.0821449
ESD #3	0.0798000	0.0000000	0.0798000
ESD #4	0.1000000	0.0000000	0.1000000
Lindale ISD	1.0800000	0.3100000	1.3900000
Van Zandt County	0.4815435	0.0343035	0.5158470
Van Zandt Special Road Tax	0.1000000	0.0000000	0.1000000
Athens ISD	1.0373800	0.3990900	1.4364700
Brownsboro ISD	1.1700000	0.3200000	1.4900000
Eustace ISD	1.0400000	0.1800000	1.2200000
Mabank ISD	1.0400000	0.3250000	1.3650000