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# VAN ZANDT COUNTY APPRAISAL DISTRICT

## 2020 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 Uniform Standards of Professional Appraisal Practice (USPAP)
- The International Association of Assessing Officers (IAAO)

### 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 Agricultural Advisory Board is appointed by the Chief Appraiser with the advice and consent of the Board of Directors. The Ag Advisory Board exists to advise the Chief Appraiser in determining typical practices and standards for agricultural activities in the District.

## 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 860 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.

## COVID-19 IMPACT

This District's priority has been to protect the health and safety of its staff and the citizens of Van Zandt County, all the while preserving the continuity of the District's operations and the public's right of accessibility to its local government. Following state and local protocols relating to the COVID-19 pandemic, the District temporarily closed its office to the public on March 23<sup>rd</sup>. Employees continued regular work both on and off-site to accomplish all required responsibilities in a timely manner, and the District quickly expanded its online services and installed an outdoor drop box to ensure the public's access to information and services during this time. Due to the interruptions caused by COVID-19, the mailing of 2020 Appraisal Notices was delayed until May 1<sup>st</sup>. On May 4<sup>th</sup>, the District reopened its office to the public with social distancing and other health related protocols in place. Property owners were encouraged to interact and communicate remotely when possible, and this effort resulted in over 95% of Appraisal Review Board (ARB) hearings being successfully conducted via telephone conference call. The District has continually adapted and modified its COVID-19 protocols throughout the appeal and tax rate adoption seasons in order to remain compliant with state and local guidelines and requirements; however, the District's office has remained open and accessible to the public since its reopening on May 4<sup>th</sup>.

## PROPERTY TYPES AND USES APPRAISED

The district is comprised of 53,754 property accounts. 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 some gas, oil, and salt production; otherwise industrial property is limited to smaller 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 2020:

PTAD Classification	Property Type	Count	Market Value	Percentage
A	Single-Family Residential	14,027	\$1,554,059,300	24.13%
B	Multi-Family Residential	131	\$24,912,003	0.39%
C	Vacant Land (< 5ac)	4,989	\$40,425,645	0.63%
D1	Qualified Open Space "Ag" Land	14,591	\$2,119,607,209	32.91%
D2	Farm/Ranch Improvement on Qualified Land	2,695	\$34,707,783	0.54%
E	Non-Qualified Rural Land & Improvements	12,953	\$1,627,151,904	25.27%
F	Commercial & Industrial Real Property	1,771	\$348,006,500	5.40%
G	Mineral (Oil & Gas) Property	3,630	\$50,584,841	0.79%
J	Utilities	458	\$166,719,223	2.59%
L	Commercial & Industrial Personal Property	2,813	\$210,771,066	3.27%
M	Mobile Homes	1,137	\$41,050,370	0.64%
O	Residential Inventory	206	\$2,292,480	0.04%
S	Dealer's Special Inventory	43	\$9,331,948	0.14%
X	Exempt Property	1,281	\$210,085,460	3.26%

## PROPERTY DISCOVERY

The district continually and diligently 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
- Realtor listings

## APPRAISAL OPERATION SUMMARY

During the 2020 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 100.9                      Mean level of appraisal 101.07                      Weighted mean level of appraisal 101.24  
Coefficient of dispersion 11.95                      Price related differential 1.00

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 2020 Mass Appraisal Report.

The District did undergo a Property Value Study (PVS) by the State Comptroller's Property Tax Assistance Division (PTAD) for the 2019 tax year, as this external testing is administered on a biennial basis. Despite the District implementing relatively large market value increases to stay abreast of market conditions for the 2019 tax year, PTAD found that the District was below the mandatory 5% confidence interval for three school districts tested. The CAD's overall final results of the most recent study conducted for the 2019 tax year are as follows:

Median level of appraisal 97                      Coefficient of dispersion 14.44                      Price related differential 1.01

The State Comptroller's Property Tax Assistance Division (PTAD) did administer a review of the District's governance, taxpayer assistance, operating procedures and appraisal standards, procedures and methodology for the 2020 tax year in a study called the Methods and Assistance Program (MAP). At the time of release of this annual report, the formal results of this review are not available.

However, the preliminary results and feedback by the Comptroller’s MAP Reviewer 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 100% of the multi-part Tier 2 questions tested.

## 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 was reappraised
- The property experienced a change in exemption or special appraisal status
- 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:

- 43,199 residential, rural, and vacant real accounts
- 3,699 commercial and personal property accounts, and
- 4,371 mineral/utility/industrial accounts

Following the mailing of notices, 4,449 parcels were protested with the following characteristics:

Description	Parcel Count
Value is over market value	3,935
Value is unequal compared with other properties	1,794
Property should not be taxed	24
Failure to send required notice	20
Other	379
Exemption was denied, modified, or cancelled	168
Change of land use	35
Open Space Land valuation was denied, modified, or cancelled	90
Owner’s name is incorrect	52
Property should not be taxed in a taxing unit	28
Disaster exemption denied	1

The final results of these protests were:

Description	Parcel Count
Protest withdrawn	237
Protest settled	3,249
Case dismissed for failure (of taxpayer/agent) to appear at hearing	357
ARB ordered determination	567
Hearing Rescheduled-Pending	39

## CERTIFIED VALUES

The Chief Appraiser certified market & taxable values to the taxing jurisdictions on 07/24/2020. Estimates of value remaining under protest at the time of certification were provided as well. The following totals (certified totals + estimated value under protest) were used as the basis for calculation of the taxing entities' No-New-Revenue and Voter-Approval tax rates on 7/31/2020.

Tax Entity	Parcel Count	Market Value	Taxable Value
Van Zandt County	53,754	6,375,977,396	3,506,006,968
Canton City	2,973	430,389,414	337,333,000
Edgewood City	1,123	88,063,296	73,067,000
Grand Saline City	1,765	124,225,227	103,562,000
Van City	3,217	182,417,161	144,870,000
Wills Point City	2,280	212,192,206	172,657,000
Canton ISD	10,746	1,616,288,284	958,849,000
Edgewood ISD	5,269	591,383,358	331,921,000
Fruitvale ISD	1,597	154,208,092	61,904,000
Grand Saline ISD	5,411	670,821,359	326,067,346
Martins Mill ISD	2,287	354,579,299	151,027,000
Van ISD	14,363	1,354,607,489	677,957,000
Wills Point ISD	10,744	1,188,924,704	676,445,000
Tyler Junior College	14,016	1,437,059,626	865,189,000
Trinity Valley Community College	2,479	301,955,772	157,992,000
Emergency Services District #1	1,810	260,440,877	140,224,000
Emergency Services District #2	4,772	584,590,099	367,889,000
Emergency Services District #3	6,888	1,069,461,890	572,190,000
Emergency Services District #4	8,040	949,118,814	594,011,000
Lindale ISD	131	21,014,225	8,719,000
Mabank ISD	1,800	259,458,884	123,244,000
Eustace ISD	89	12,061,203	4,593,000
Brownsboro ISD	593	30,449,446	13,184,000
Athens ISD	743	117,837,693	55,784,000

These values reflect an overall market value increase of 15.7 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
Canton City	0.2132000	0.3268000	0.5400000
Canton ISD	0.9131000	0.4310000	1.3441000
Edgewood City	0.5851400	0.0694600	0.6546000
Edgewood ISD	0.9731000	0.1730140	1.1461140
Fruitvale ISD	0.9977000	0.1474000	1.1451000
Grand Saline City	0.5425000	0.3675000	0.9100000
Grand Saline ISD	1.0246000	0.2800000	1.3046000
Martins Mill ISD	0.8753000	0.1425500	1.0178500
Van City	0.4435834	0.1624166	0.6060000
Van ISD	0.9856000	0.3695700	1.3551700
Wills Point City	0.5200000	0.3400000	0.8600000
Wills Point ISD	0.9603000	0.0000000	0.9603000
Tyler Junior College	0.1580160	0.0419100	0.1999260
Trinity Valley College	0.1385400	0.0000000	0.1385400
ESD #1	0.0400000	0.0000000	0.0400000
ESD #2	0.0680000	0.0000000	0.0680000
ESD #3	0.0770000	0.0000000	0.0770000

<b>Tax Entity</b>	<b>M &amp; O</b>	<b>I &amp; S</b>	<b>Total</b>
ESD #4	0.0913000	0.0000000	0.0913000
Lindale ISD	0.9280000	0.3300000	1.2580000
Van Zandt County	0.4442200	0.0362080	0.4804280
Van Zandt Special Road Tax	0.1000000	0.0000000	0.1000000
Athens ISD	0.9365000	0.3990900	1.3355900
Brownsboro ISD	0.9930000	0.2800000	1.2730000
Eustace ISD	0.9204000	0.4768000	1.3972000
Mabank ISD	0.8978000	0.2822000	1.1800000