



Property Tax Assistance Division  
2023 Report

Review of  
Appraisal District  
Appraisal  
Standards,  
Procedures and  
Methodology

# TARGETED APPRAISAL REVIEW PROGRAM

JASPER COUNTY APPRAISAL DISTRICT



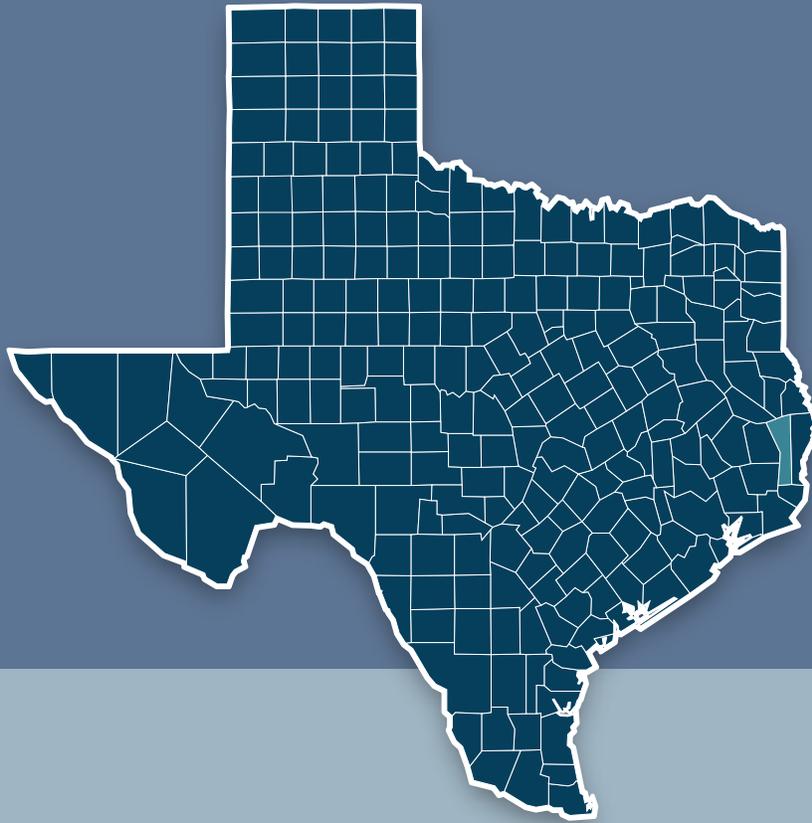
**GLENN HEGAR**  
Texas Comptroller of Public Accounts

# 2023 TARGETED APPRAISAL REVIEW

## JASPER COUNTY APPRAISAL DISTRICT

Chief Appraiser: Lori Barnett

Reviewer: Dwayne Andrews





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# Executive Summary

In September 2023, the Texas Comptroller of Public Accounts identified Brookeland Independent School District (Brookeland ISD), located in Jasper County, as one of 46 school districts meeting the criteria that initiates a Targeted Appraisal Review (TARP) of the appraisal district in which the school district is located. In 2023, the Property Tax Assistance Division (PTAD) conducted the review of the Jasper County Appraisal District (Jasper).

## TARGETED APPRAISAL REVIEW PROGRAM OVERVIEW

If a school district receives invalid School District Property Value Study (SDPVS) findings for three consecutive years, Government Code Section 403.302 (k-1) requires PTAD to conduct a review of the appraisal district to determine why a school district’s values are statistically invalid and provide recommendations to the appraisal district regarding appraisal standards, procedures and methodologies.

PTAD reviewers used the [Targeted Appraisal Review Program Guidelines](#) to perform this review. This report contains the findings of the 2023 TARP review of Jasper. Over the next year, TARP reviewers will work with Jasper to address and resolve recommendations outlined in this report. **Exhibit 1** provides a timeline for the TARP cycle.

Upon substantial compliance with all recommendations, PTAD will issue a formal letter of compliance to Jasper and its board of directors.

If the appraisal district fails to comply with recommendations provided in the report and PTAD finds the appraisal district board of directors failed to take remedial action reasonably designed to ensure substantial compliance with each recommendation before the first anniversary of the date the recommendations were made, PTAD will notify the Texas Department of Licensing and Regulation (TDLR), which takes action necessary to ensure the recommendations are implemented as soon as practicable.

### EXHIBIT 1

#### TARP Process Timeline

##### NOTIFICATION

- PTAD sends TARP notification letters and preliminary data requests to affected appraisal districts.

##### REVIEWS

- Preliminary data is due to PTAD.
- TARP reviewers complete onsite visits.

##### RECOMMENDATIONS

- PTAD releases initial TARP reports.
- Appraisal districts have one year to work with their TARP reviewers to substantially comply with TARP report recommendations. PTAD mails formal compliance letters when appraisal districts have substantially implemented all recommendations.

##### REMAINING RECOMMENDATIONS

- PTAD notifies TDLR of remaining recommendations one year after the initial TARP report is released.
- Appraisal districts have one year to work with TDLR, who determines substantial compliance and reports to the chief appraiser and appraisal district board of directors.



## INVALID SCHOOL DISTRICT PROPERTY VALUATION

PTAD identified Brookeland ISD in Jasper as having invalid SDPVS findings for three consecutive years. **Exhibit 2** highlights the impacted school district and categories with local values that fell outside the SDPVS statistical confidence interval in the applicable three-year period. PTAD determines the confidence interval using a 5 percent or greater margin of error around PTAD's determined market value. PTAD considers local values valid, or statistically acceptable, when they are within the confidence interval. Values outside this confidence interval are statistically invalid.

### EXHIBIT 2

#### Jasper SDPVS Results 2020-2022

SDPVS Year	County	School District	Findings	Category*	Ratio
2020	Jasper	Brookeland ISD	Invalid	A	0.9442
2020	Jasper	Brookeland ISD	Invalid	C1	0.5906
2021	Jasper	Brookeland ISD	Invalid	A	0.9152
2022	Jasper	Brookeland ISD	Invalid	A	0.8634
2022	Jasper	Brookeland ISD	Invalid	C1	1.0893
2022	Jasper	Brookeland ISD	Invalid	E	0.6756

\*Categories are defined in the [Texas Property Tax Assistance Property Classification Guide](#).

Source: Texas Comptroller of Public Accounts, [School District Property Value Study](#)

## RECOMMENDATIONS

Based on our findings in the TARP review of Jasper, PTAD makes the following recommendations, which are discussed in greater detail throughout this report:

- Employ adequate support staff to perform administration functions so that appraisers can focus on appraising property.
- Implement findings from salary survey to establish competitive salaries for the local job market.
- Develop and follow written guidelines for sales verification.
- Analyze ratio studies to determine areas to address and incorporate them in reappraisal plan.
- Use Jasper's local ratio study results to make reappraisal decisions necessary to produce accurate values.
- Create and follow quality control procedures as written to ensure that work earmarked for review in identified market areas is complete and updated.
- Review and update residential cost schedules annually.
- Review and update land schedules annually.

# Section 1 – Overview of County Appraisal District

## 1.1 COUNTY HISTORY AND DEMOGRAPHICS

According to *The Handbook of Texas Online*, the Texas State Legislature established Jasper County in 1836, naming it after Sergeant William Jasper, a hero of the American Revolutionary War. Jasper County is located in Southeast Texas, bordered on the north by San Augustine and Sabine counties, on the east by Newton County, on the south by Orange County and on the west by Hardin and Tyler counties. The county seat, Jasper, is 115 miles northeast of Houston and twenty-three miles west of the Sabine River and Louisiana.

The county includes Jasper, Buna, Kirbyville Consolidated and Brookeland Independent School Districts. The county population in 2020, as reported by the United States Census Bureau, was 32,980. The primary population center is the city of Jasper, which had approximately 7,590 residents at that time. Other notable towns include Kirbyville and Buna, contributing to the county’s demographic distribution.

Based on the 2020 census data, PTAD classifies Jasper as Tier 2 for comparison with appraisal districts of similar population size. **Exhibit 3** shows the population brackets for each tier.

## 1.2 APPRAISAL DISTRICT ORGANIZATION AND STAFFING

Jasper became active in January 1980. As of July 2024, it has 15 full-time staff positions and one part-time position, of which five positions are supervisory and six positions are full-time appraisers. Jasper contracts with a vendor for professional appraisal services. **Exhibit 4** presents Jasper’s general organizational structure.

## 1.3 TAXING UNITS

Local taxing units, including the school districts, counties, cities, junior colleges and special districts, decide how much money they require to effectively provide public services. They adopt property tax rates based upon taxing unit financial needs (budget). Some taxing units have access to other revenue sources, such as a local sales tax. School districts must rely on the local property tax, in addition to state and federal funds.

EXHIBIT 3

County Population by Tier	
Tier	Total Population Range
1	120,000 +
2	Less than 120,000 to 20,000
3	Less than 20,000

Source: Texas Comptroller of Public Accounts

EXHIBIT 4



Source: Jasper County Appraisal District



Jasper provides appraisal services for 18 taxing units, as shown in **Exhibit 5** and does not perform collection services.

EXHIBIT 5

**Jasper Taxing Units and Collections**

Name of Taxing Unit	Appraisal District Collects Property Taxes
Brookeland Independent School District	No
Buna Independent School District	No
City of Jasper	No
City of Kirbyville	No
Colmesneil Independent School District	No
Evadale Independent School District	No
Evadale WCID #1	No
Jasper County	No
Jasper County ESD #1	No
Jasper County ESD #2	No
Jasper County ESD #3	No
Jasper County ESD #4	No
Jasper County WCID #1	No
Jasper Independent School District	No
Kirbyville Consolidated Independent School District	No
Rayburn Country MUD	No
Vidor Independent School District	No
Woodville Independent School District	No

Source: Texas Comptroller of Public Accounts

**1.4 APPRAISAL DISTRICT BUDGET INFORMATION**

Taxing units fund the appraisal district through an annual budgeting process. Tax Code Section 6.06 requires the chief appraiser to develop the budget and the board of directors to hold a public hearing to consider the budget. Each participating taxing unit in the appraisal district must contribute a portion of the budget amount equal to the proportional amount of taxes levied in the taxing unit.

Chapter 5 of the International Association of Assessing Officer’s (IAAO’s) *Assessment Administration* explains that the budget is the crucial link in an appraisal district’s ability to make set rational priorities. A budget typically details how resources will be used to accomplish the appraisal district’s goals and objectives. IAAO’s *Standard on Property Tax Policy* states that to accomplish its responsibilities in a fair and professional manner, the appraisal district should have a budget that provides for a well-organized staff, sufficient computing recourses and necessary data.

**Exhibit 6** provides a comparison between Jasper’s 2022 budget versus the Tier 2 average 2022 budget (excluding collections) to show how Jasper’s budget aligns with the tier average.



## EXHIBIT 6

**Jasper 2022 Budget vs. Tier 2 Average**

Jasper County Appraisal District Budget (2022)	Tier 2 Average Budget (2022)
\$1,517,894	\$1,541,215

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey*

In 2022, Jasper operated with a budget of \$1,517,894, comparable to the Tier 2 average budget of \$1,541,215. This budget comparison highlights the relatively similar financial resources, as reported by Jasper in the 2022 *Appraisal District Operation Survey*. A four-year budget history and tier average comparison is available in **Appendix 1**.

**1.5 APPRAISAL DISTRICT STAFF INFORMATION**

The geographic size of the appraisal district and number of parcels to be appraised directly reflect the number of staff necessary to perform the appraisal district's responsibilities. The complexity of the appraisals and the experience and expertise of the staff also impact appraisal district needs.

**Exhibit 7** provides a comparison between Jasper's 2022 staffing and the Tier 2 average (excluding collections) to determine how Jasper staffing and salaries compare with the tier average.

## EXHIBIT 7

**Jasper 2022 Staffing and Salaries vs. Tier 2 Average**

	2022	2022 Tier 2 Average
Full Time Staff	15	13
Part Time Staff	1	N/A
Full Time Appraisers	6	7
Lowest Appraiser Salary	\$29,900	\$40,040
Highest Appraiser Salary	\$42,285	\$59,181

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey*

From 2019 to 2022, Jasper has consistently maintained a full-time staff of 15 employees, slightly above the 2022 Tier 2 average of 13. There was one clerical part-time staff member during this period. From 2019 to 2022, in the appraisal division, the appraisal district employed 6-7 full-time appraisers each year, comparable to the 2022 Tier 2 average. The lowest appraiser salary decreased from \$36,965 in 2019 to \$29,900 in 2022, significantly below the 2022 Tier 2 average of \$40,040. The highest appraiser salary rose from \$40,051 in 2019 to \$42,285 in 2022, well below the 2022 Tier 2 average of \$59,181. A four-year staff and salary history and Tier 2 average comparison is available in **Appendix 2**.

**Q FINDING**

Jasper does not employ adequate support staff to perform administration functions so that appraisers can focus on appraising property.

IAAO's *Standard on Mass Appraisal*, Section 6.2.1, Staffing, states that the staff should be a mix of individuals skilled in general administration, supervision, appraisal, mapping, data processing and clerical functions. It also highlights the importance of flexibility in the staffing structure, as the staffing needs can vary significantly based on factors such as the frequency of reappraisals.



The chief appraiser explained that the appraisal district has a high rate of turnover. There are currently three customer service staff and three GIS staff. There is one clerk who handles the scanning portion of appraisal files. There are currently two open positions for clerks. The chief appraiser and staff note the problems with retaining good appraisers and clerks.

An appraisal district should maintain adequate appraisal staffing levels to ensure appraisal tasks can be performed and completed. Insufficient staffing can contribute to shortcomings in the day-to-day activities of the appraisal district because the workload will not allow enough time to complete tasks accurately. The staffing issues have contributed to the invalid SDPVS findings.

### RECOMMENDATION 1

**Employ adequate support staff to perform administration functions so that appraisers can focus on appraising property.**

### FINDING

Jasper board of directors has not implemented needed competitive salaries for the local job market.

IAAO’s *Introduction to Assessment Administration*, Chapter 3, Organization for Assessment Administration, recommends that salary schedules be competitive with the market, if the budget permits and that salaries are equitable.

Appraisal districts can gather salary information through operations surveys and comparisons with other appraisal districts to establish competitive salaries.

A salary survey was completed in 2023, comparing Jasper to eight other surrounding appraisal districts. Jasper’s inability to attract and retain employees is reflected in the salary comparison. Jasper chief appraiser has the lowest salary in comparison to the other chief appraisers. Jasper’s appraisers, mapping staff and clerical staff also have the lowest salaries in comparison to the other appraisal districts used in the salary survey.

### RECOMMENDATION 2

**Implement findings from salary survey to establish competitive salaries for the local job market.**

## 1.6 TRAINING

IAAO’s *Standard on Professional Development* follows the principle that “assessment jurisdictions benefit when they have knowledgeable and adequately trained personnel to preserve the public’s trust; therefore, it is of the utmost importance.” **Exhibit 8** provides Jasper’s annual training budget and number of trainings attended for the past three years. Appraisal districts should maintain adequate training budgets to allow for certification and continued education of staff.

EXHIBIT 8

### Jasper Training Budget and Number of Trainings

	2022	2021	2020
Training Budget	\$25,000	\$25,000	\$25,000
Number of Trainings Attended	2	2	2

Source: Jasper County Appraisal District

In 2022, Jasper’s training budget and number of trainings remained the same over the three-year review period. Jasper takes standard TDLR annual compliance training. They offer cross training to all employees for customer service, exemptions, mapping and GIS training in house.



## 1.7 CHIEF APPRAISER

The board of directors is responsible for hiring and periodically evaluating the chief appraiser, who coordinates and oversees appraisal district operations. In organizing and administering an appraisal district, the chief appraiser is responsible for hiring, firing and training personnel; for ensuring compliance with a wide range of legal requirements; and for maintaining policies and procedures for the effective operation of the appraisal district. **Exhibit 9** provides detailed information regarding Jasper’s chief appraiser.

### EXHIBIT 9

#### Jasper Chief Appraiser Information

##### Chief Appraiser

Is the Chief Appraiser permanent, temporary or interim?	Permanent
Does the Chief Appraiser perform appraisals?	Yes
2022 Base Salary	\$74,240
Chief Appraiser – Years at appraisal district	30
Chief Appraiser – Years as a Chief Appraiser	8
Does the Chief Appraiser receive a car allowance?	Yes
What is the amount of the car allowance? (If applicable)	\$9,000
Does the Chief Appraiser receive retirement benefits?	Yes
Does the Chief Appraiser receive medical insurance benefits?	Yes

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey* and Jasper County Appraisal District

## 1.8 APPRAISAL DISTRICT CONTRACTS

PTAD reviews appraisal district contracts for compliance according to IAAO’s Standard on Contracting for Assessment Services. **Exhibit 10** lists Jasper’s contracts, which are discussed in more detail in this report. Jasper puts contracts out for bid depending on the terms and length of the contract. Usually, a contract is renewed or re-bid at the end of the contract term, which could be two to three years or more.

Project control is important for the stakeholders of both the government agency and the contractor. Having control can help the project manager/program manager compare actual performance against planned performance. The project manager can identify potential problems, evaluate alternative actions and plan for appropriate corrective action.

Project leaders typically create a project plan that includes the tasks to be performed, the project timeline, a budget and project resources. By monitoring the plan and the actual work performed, the project manager can measure both qualitative and quantitative progress.

If the project is deviating from the project timeline, corrective action may be necessary. Deviations can be caused by a number of issues such as change in the project scope or project resources or other setbacks. The corrective plan should be created with input from all project stakeholders.



An appraisal district is a political subdivision of the State of Texas and is subject to the same requirements and has the same purchasing and contracting authority as a municipality under Chapter 252, Local Government Code.

EXHIBIT 10

**Jasper Contracts**

Type of Contract	Contract Dates	Years with Same Vendor	Does appraisal district actively monitor contract?
Appraisal of Minerals, Industrial, Utilities and Personal Property	2020-2022	3 years	Yes
Software	2019-2023	4 years	Yes
Mapping	2019-2021	3 years	Yes
GIS	2019-2021	3 years	Yes
Pictometry	2022-2023	10+ years	Yes

Source: Jasper County Appraisal District

## Section 2 – Appraisal Administration

### 2.1 APPRAISAL DISTRICT PARCEL DATA

PTAD collects appraisal district parcel data to determine the ratio of appraisers to parcel count and to compare it with the typical parcel per appraiser average in **Exhibit 11**.

EXHIBIT 11

**2022 Jasper’s Parcel Information vs. Typical Parcel Per Appraiser Average**

Parcel Information	Jasper	Typical Parcel Per Appraiser (Rounded)
Parcel Count	47,574	10,001 – 70,000 parcels
Parcels per Appraisal Staff	6,244*	6,400**

Source: Texas Comptroller of Public Accounts, *Electronic Appraisal Roll Submission*

\* Excludes parcels for contracted appraisal services:  
 \*\* Includes all property categories

In 2022, Jasper managed 47,574 parcels placing it in the middle range of appraisal districts with 10,001-70,000 parcels. Jasper contracts for appraisal services in Categories F2, G, J and L2. Parcels in these categories are removed from the total parcel count to determine the parcels per appraiser of 6,244. This indicates that Jasper’s parcels per appraiser is similar to the typical parcel per appraiser average, which includes all property categories.



From 2019 to 2022, Jasper managed parcel counts ranging from 41,262 to 47,642 (including all property categories) and the parcels assigned per appraiser for properties appraised in house ranged from 4,714 to 6,359. The total market value of certified parcels increased from \$4,025,220,681 to \$5,639,625,264 between 2019 and 2022. **Appendix 3** provides the appraisal district’s parcel data over the four-year review period.

## 2.2 CONTRACTED APPRAISAL SERVICES

From 2019 to 2022, appraisal district staff appraised 70 to 88 percent of the total appraised value within the appraisal district, specifically for Categories A, B, C, D, E, F1, L1, M, O and S. From 2019 to 2022, Jasper contracted for appraisal services for property Categories F2, G, J and L2. Each year, these contracted firms appraised 12 to 30 percent of the total appraised value within the appraisal district. The cost of these services varied from \$43,000 to \$45,000 over four years. Additionally, the appraisal district uses a geographic information system (GIS) and aerial technology systems.

Jasper’s contracted appraisal services are listed in **Exhibit 12**.

### EXHIBIT 12

#### Jasper’s Contracted Appraisal Services

	2022	2021	2020	2019
Appraisal Services Contract	Yes	Yes	Yes	Yes
Contracted Property Categories	F2, G, J and L2			
Percentage of total appraised value appraised by contracted appraisal firms	12%	21%	16%	30%
Appraisal Contract Cost	\$45,000	\$45,000	\$43,065	\$43,000

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey*

## 2.3 RATIO STUDIES

An appraisal district should perform ratio study analyses to evaluate appraisal performance. Per IAAO’s *Standard on Ratio Studies*, there are several key uses of ratio studies including: measurement and evaluation of the level and uniformity of mass appraisal models, internal quality assurance and identification of appraisal priorities, determination of whether administrative or statutory standards have been met, determination of time trends and adjustment of appraised values between reappraisals. Ratio Study. Uniformity Standards indicating acceptable general quality are presented in **Exhibit 13**.



## EXHIBIT 13

**Ratio Study Uniformity Standards**

Type of property - General	Type of property - Specific	COD Range*
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2-4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land	N/A	5.0 to 25.0
Other real and personal property	N/A	Varies with local conditions

Source: IAAO's *Standard on Ratio Studies*

*These types of property are provided for guidance only and may not represent jurisdictional requirements.*

*\* Coefficient of Dispersion (CODs) lower than 5.0 may indicate sales chasing or non-representative samples.*

**JASPER RATIO STUDIES****Q FINDING**

Jasper does not properly verify sales.

IAAO's *Standard on Ratio Studies*, Section A.3.1, Importance of Confirmation of Sales, states that the appraisal district should routinely confirm sales data or verify the sales data by contacting buyers, sellers, or other knowledgeable participants. The usefulness of sales data is directly related to its completeness and accuracy.

IAAO's *Standard on Verification and Adjustment of Sales*, Section 6, Adjustments states that the appraisal district should adjust sales to represent only the value of the real property as of the appraisal date prior to model calibration and ratio studies. Adjustments to sale price can result from factors underlying the transaction, property conditions at the time of the sale and market trends.

The chief appraiser stated that issues with sales verifications have occurred in prior years. A newly hired appraisal clerk did not fully understand how to correctly input sales data into the CAMA system, resulting in some sales being miscoded as valid or invalid. Data was also being input into accounts simultaneously which created additional errors. The chief appraiser addressed the problem with supplemental training and the clerk now understands the process. Jasper fixed the errors to accounts that were coded incorrectly.

**💡 RECOMMENDATION 3**

**Develop and follow written guidelines for sales verification.**



## FINDING

Jasper has not developed a reappraisal plan based on ratio study analysis to determine which areas to address.

IAAO's *Standard on Ratio Studies*, Section 3.3, Stratification states Stratification divides all the properties within the scope of the study into two or more groups or strata. Stratification facilitates a complete and more detailed picture of appraisal performance and can enhance sample representativeness.

Each type of property subject to a distinct level of assessment could constitute a stratum. Other property groups, such as market areas, school districts and tax units, could constitute additional strata.

The appraisal district should choose strata consistent with factors in the mass appraisal model. When the study's purpose is to evaluate appraisal quality, flexibility in stratification is essential. The general goal is to identify areas in which the assessment levels are too low or lack uniformity and property groups for which additional reappraisal work may be required. In such cases, it is also highly desirable to stratify based on more than one characteristic simultaneously.

Stratification can help identify differences in appraisal levels between property groups. In large jurisdictions, stratification by market areas is generally more appropriate for residential properties. In contrast, stratification of commercial properties by either geographic area or property subtypes (e.g., office, retail and warehouse/industrial) can be more effective.

The chief appraiser identified Brookeland ISD as a problem area in 2022. Newer subdivisions typically fall into this category due to sales trends. In 2023, the appraisal district hired an appraisal contractor to assist in this area and the area schedule was updated in 2022. However, these efforts did not yield satisfactory results, nor did the contractor valuations in 2023. As a result, a new appraisal contractor is being brought in for assistance in 2024.

The appraisal district should choose strata consistent with factors in the mass appraisal model. When evaluating appraisal quality, flexibility in stratification is essential. The goal is to identify areas where assessment levels are too low or lack uniformity and property groups that may require additional reappraisal work. Stratifying based on multiple characteristics simultaneously is also highly desirable.

Performing ratio studies analysis is essential in determining reliable market trends and developing market values. The appraisal district's reappraisal plan should identify the problematic areas based on ratio analysis performed to determine the market areas for the county.

## RECOMMENDATION 4

**Analyze ratio studies to determine areas to address and incorporate them in reappraisal plan.**

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### **PTAD'S APPRAISAL DISTRICT RATIO STUDY (ADRS)**

Tax Code Section 5.10 requires PTAD to conduct a ratio study to measure the performance of each appraisal district in Texas at least once every two years and to publish the results.

The purpose of the Appraisal District Ratio Study (ADRS) is to measure the uniformity and median level of appraisals performed by an appraisal district within each major category of property.

To conduct the ADRS, PTAD applies appropriate standard statistical analysis techniques to data collected through the SDPVS required by Government Code Section 403.302.



The published report provides ratio study results for each appraisal district studied that year and includes:

- the median levels of appraisal for each major property category.
- the coefficient of dispersion (COD) around the median level of appraisal for each major property category; and
- other appropriate statistical measures.

Exhibit 14 shows the data from PTAD’s Appraisal District Ratio Study for Jasper in 2022.

EXHIBIT 14

**PTAD’s Appraisal District Ratio Study, Jasper 2022**

Category	Number of Ratios**	2022 CAD Reported Appraisal Value	Median Level of Appraisal	Coefficient of Dispersion	% Ratios within (+/-) 10 % of Median	% Ratios within (+/-) 25 % of Median	Price - Related Differential
A. SINGLE-FAMILY RES	402	1,409,880,666	0.94	18.29	44.28	78.36	1.08
B. MULTI-FAMILY RES	0	26,741,089	*	*	*	*	*
C1. VACANT LOTS	63	94,034,647	*	*	*	*	*
C2. COLONIA LOTS	0	0	*	*	*	*	*
D2. FARM/RANCH IMP	0	16,453,638	*	*	*	*	*
E. RURAL-NON-QUAL	115	721,857,299	0.91	18.84	40.87	80.00	1.15
F1. COMMERCIAL REAL	43	201,971,647	*	*	*	*	*
F2. INDUSTRIAL REAL	0	294,455,295	*	*	*	*	*
G. OIL, GAS, MINERALS	0	112,037,797	*	*	*	*	*
J. UTILITIES	1	154,147,557	*	*	*	*	*
L1. COMMERCIAL PER	31	97,958,648	*	*	*	*	*
L2. INDUSTRIAL PER	0	167,755,575	*	*	*	*	*
M. OTHER PERSONAL	0	57,168,222	*	*	*	*	*
O. RESIDENTIAL INV	0	1,730,454	*	*	*	*	*
S. SPECIAL INVENTORY	0	7,759,560	*	*	*	*	*
OVERALL	655	3,363,952,094	0.95	22.71	44.12	74.96	1.13

Source: Texas Comptroller of Public Accounts, *Appraisal District Ratio Study 2022 Tax Year Findings*

\* Category result not calculated. Calculation requires a minimum of five ratios from either of the following:

- Categories representing at least 25 percent of total appraisal district category value.
- Five school districts or half the school districts in the appraisal district, whichever is less.

\*\* Statistical measures may not be reliable when the sample is small.

**FINDING**

Jasper is not appraising property equitably at market value.

Appraisal districts should measure the level of appraisal and uniformity of appraisal for the overall jurisdiction, individual mass appraisal neighborhoods/market areas, types of properties, or any other significant segment that will assist in determining reappraisal priorities.

Ratio Study standards provide a means of measuring whether appraisal efforts have met appropriate expectations. To determine reappraisal priorities, appraisal districts should use ratio studies to measure the level of appraisal and uniformity of appraisal for the overall jurisdiction, for individual mass appraisal neighborhoods or market areas, by types of properties, or any other significant segment that assists in that determination.



**Exhibit 14** shows Jasper has an overall median level of appraisal of 0.95, with slightly low findings for Category A (0.94) and Category E (0.91). This suggests that appraisals for those property types are, on average, slightly below market value.

The Coefficient of Dispersion (COD) is a measure of appraisal uniformity. **Exhibit 13** shows the IAAO suggested COD standards. **Exhibit 14** shows that Jasper has a high overall COD (22.71) and relatively high CODs in Category A (18.29) and Category E (18.84), indicate uniformity issues for those property types. These figures indicate higher variability in appraisal ratios, suggesting inconsistencies in valuation. This level of dispersion suggests the average deviation of the ratios from the median is excessive, potentially affecting the reliability of the appraisal assessments.

The Price-Related Differential (PRD) is a measure of vertical equity, comparing the appraisal of higher valued properties to the appraisal of lower valued properties. IAAO states that anything outside of the PRD range of 0.98-1.03 indicates vertical inequity or treating higher and lower priced properties differently. **Exhibit 14** shows the overall PRD (1.13) and PRD for Category A (1.08) and Category E (1.15) to be higher than the IAAO suggested PRD range, indicating regressivity or that lower valued properties are relatively over-appraised compared to higher valued properties.

Low median levels of appraisal, combined with high CODs and low PRDs indicates that a reappraisal of all property would be prudent. Because ADRS only reviews certain property categories, Jasper should perform its own ratio studies at a micro-level to determine which neighborhoods would benefit from full reappraisal or if a trend factor could be applied.

## RECOMMENDATION 5

**Use Jasper's local ratio study results to make reappraisal decisions necessary to produce accurate values.**

## 2.4 QUALITY CONTROL

An appraisal district should follow a quality control process to ensure that accuracy standards are achieved and maintained. Proper quality control analysis is essential in determining reliable market trends and developing market values. An appraisal district should have written procedures outlining how to perform a proper quality analysis to prevent errors in the process.

## FINDING

Jasper does not follow its quality control procedures as written to ensure that work earmarked for review in identified market areas is complete and updated.

IAAO's *Standard on Data Quality*, Section 3, Data Quality Management, states that monitoring and reviewing data quality is fundamental to a successful mass appraisal process. The rate at which the quality of assessment data erodes is highly variable. However, the gap between what exists in the world and what is in the appraisal district's records grows over time. In addition to maintaining data to a specified standard and determining areas of strength and/or weakness of data, the results may be used to determine how raw data, stratification of data, data sources, or data collection efforts can be enhanced to produce better future performance.

Regardless of the source, the appraisal district needs to have quality assurance and control mechanisms in place to ensure the quality of assessment data and detect and correct deficiencies in the quality of data prior to valuation. These components provide confidence in the appraisal product when built into the regular reappraisal cycle.



The chief appraiser indicated that staffing issues contributed to some of the quality issues. Although Jasper identified and addressed most of these issues over the years, they continue to be problematic in recent years. Employee shortcuts and poor training habits in the past were also identified as contributing factors. The appraisal district works on market areas each year as identified in the reappraisal plan. Due to compliance issues with the SDPVS, the appraisal district hired a new appraisal contractor in 2023 to address the problematic market area. In 2024, Jasper hired a different contractor to revise the Category A, single-family property schedules for the same market area.

Proper quality control analysis is essential in determining reliable market trends and developing market values. The appraisal district should update procedures with clear guidelines on how to perform a thorough quality analysis, eliminating room for error in the process. This will also ensure work assigned for review each year is completed and updated.

### RECOMMENDATION 6

**Create and follow quality control procedures as written to ensure that work earmarked for review in identified market areas is complete and updated.**

## Section 3 – Categories of Valuation in the SDPVS

PTAD found Brookeland ISD’s Categories A, C1 and E to be invalid in the years indicated in **Exhibit 15**. Because these property categories had invalid ratios in at least one of the three review years, these property categories are the basis of this TARP review.

PTAD found Categories B, D1, F, G, J and L1 in Brookeland ISD to be valid and they are *not* included in the scope of this TARP review.

EXHIBIT 15

### SDPVS Invalid Property Categories 2020-22

ISD	2020	2021	2022
Brookeland	A and C1	A	A, C1 and E

Source: Texas Comptroller of Public Accounts, [School District Property Value Study Final Findings](#)

### 3.1 CATEGORY A – SINGLE-FAMILY RESIDENTIAL PROPERTY VALUATION

The Comptroller’s [Texas Property Tax Assistance Property Classification Guide](#) states Category A property includes single-family residential improvements and land on which the improvements are situated. They may or may not be within the city limits or in close proximity to a city.

### FINDING

Jasper does not update residential cost schedules.

IAAO’s *Standard on Mass Appraisal*, Section 4.2, The Cost Approach states the cost approach applies to virtually all improved parcels and, if used properly, can produce accurate valuations. The cost approach is more reliable for newer standard materials, design and workmanship structures. It produces an estimate of the value of the fee simple interest in a property.



Reliable cost data are imperative in any successful application of the cost approach. The data must be complete, typical and current. Current construction costs should be based on the cost of replacing a structure with one of equal utility, using current materials, design and building standards. In addition to specific property types, cost models should include the cost of individual construction components and building items to adjust for features that differ from base specifications. The appraisal district should incorporate these costs into a construction cost manual and related computer software. The software can perform the valuation function. The appraisal district can use the manual for nonautomated calculations and provide additional documentation.

Brookeland ISD accounts were reviewed to ensure changes were noted to cost and land schedules in the years 2020–2022. Despite running ratios and adjusting cost schedules annually, adjustments fell below actual market rates. Jasper has faced challenges accessing sales data in this area, as most are cash transactions. The chief appraiser stated that it is increasingly difficult to obtain these sales to identify true trends and pricing.

Collecting sales data and performing ratio studies analysis on a regular basis is essential for determining reliable market trends and updating cost schedules to reflect market values. Despite limited sales data, an appraisal district should still update cost schedules using available resources including published cost information or builder information. Multiple years of sales data can be combined to obtain a more accurate picture of current market values. Cost schedules should be adjusted to reflect 100 percent of market value, even if it requires substantial increases.

## RECOMMENDATION 7

**Review and update residential cost schedules annually.**

### 3.2 CATEGORY C1 – VACANT LOTS AND TRACTS PROPERTY VALUATION

The Comptroller’s *Texas Property Tax Assistance Property Classification Guide* states Category C1 property is generally small vacant tracts of land that are typically most suited for use as a building site and do not have the potential to qualify for agricultural use. These properties may be idle tracts in some stage of development or awaiting construction, tracts planned for residential structures, recreational lots or commercial and industrial building sites. Because property use determines classification, there is no minimum or maximum size requirement for Category C1.

## FINDING

Jasper does not review and update land schedules.

IAAO’s *Standard on Mass Appraisal*, Section 4.5, Land Valuation, states that state or local laws may require the appraisal district to separate the value of an improved parcel into land and improvement components. When the appraisal district uses the sales comparison or income approach, an independent land value estimate can be subtracted from the total property value to obtain a residual improvement value. Some computerized valuation techniques separate total value into land and building components.

Jasper reviews sales data for land yearly for Categories C and E and updates land cost schedules based on this information. The provided cost schedules for land were reviewed onsite and discussed with the chief appraiser. Jasper noted price changes for most of the values in the years 2020–2022, but some did not change for 2021–2022. Although Jasper reviews and updates data yearly, adjustment ranges appear to be below market trends in some cases, especially in the years 2021–2022.

The appraisal district should annually review and adjust cost schedules. The sales comparison approach is the primary approach to land valuation and is always preferred when sufficient sales are available. In the absence of adequate sales, the appraisal district can use other techniques in land appraisal including allocation, abstraction, anticipated use, capitalization of ground rents and land residual capitalization.



 **RECOMMENDATION 8**

**Review and update land schedules annually.**

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**3.3 CATEGORY E – RURAL LAND, NOT QUALIFIED FOR OPEN-SPACE APPRAISAL PROPERTY VALUATION**

The Comptroller’s [\*Texas Property Tax Assistance Property Classification Guide\*](#) states Category E includes only rural land that is not qualified for productivity valuation and the improvements on that land, including residences. Appraisal districts may report any size tract in Category E.

As always, primary use is the determining factor in classifying property. If the land is used as residential inventory, commercial, industrial, or other purposes, classify the property by that use. Likewise, if the land qualifies as open-space land for productivity appraisal, the use determines its classification as Category D1. If the land does not fit in these other categories, report it in Category E.

Jasper Category E property values were statistically invalid in 2022. Jasper undervalued appraisals during the rapidly appreciating market in 2022, even though Jasper followed the steps outlined. A recommendation related to this category can be found earlier in this report under the Ratio Studies section.



# APPENDICES

## APPENDIX 1

### Appraisal District Budget

	2022	2021	2020	2019	Tier 2 Average 2019-2022	Tier 2 Average 2022
Total Budget (Excluding Collections)	\$1,517,894	\$1,509,221	\$1,492,550	\$1,462,323	\$1,404,998	\$1,541,215
Total Property Taxes Levied (All Jurisdictions)	\$45,557,067	\$46,925,639	\$42,001,365	\$41,966,431	\$114,774,433	\$181,458,903
Does the appraisal district collect taxes?	No	No	No	No	N/A	N/A
Number of Taxing Units Appraisal District Collects For (If Applicable)	0	0	0	0	N/A	N/A

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey*

## APPENDIX 2

### Appraisal District Staffing

#### Appraisal District Staff

	2022	2021	2020	2019	Tier 2 Average 2019-2022	Tier 2 Average 2022
Full Time Staff	15	15	15	15	13	13
Part Time Staff	1	1	1	1	N/A	N/A

#### Appraisal Staff

	2022	2021	2020	2019	Tier 2 Average 2019-2022	Tier 2 Average 2022
Full Time Appraisers	6	6	6	7	7	7
Lowest Appraiser Salary	\$29,900	\$40,265	\$38,965	\$36,965	\$41,834	\$40,040
Highest Appraiser Salary	\$42,285	\$44,417	\$42,285	\$40,051	\$57,417	\$59,181

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey*



## APPENDIX 3

**Appraisal District Parcel Information**

Jasper	2022	2021	2020	2019
Parcel Count*	47,574	47,634	47,642	41,262
Number Taxing Units	18	18	18	18
Parcels per Appraisal Staff**	6,244	6,297	6,359	4,714
Total Market Value Certified	\$5,639,625,264	\$4,607,402,596	\$4,142,293,338	\$4,025,220,681

**Parcels per Appraisal Staff Averages**

Parcels	Parcels/Appraiser
Under 10,000	5,300 parcels/appraiser
10,001 – 70,000	6,400 parcels/appraiser
70,001 – 200,000	6,700 parcels/appraiser
Over 200,000	7,100 parcels/appraiser

Source: Texas Comptroller of Public Accounts, *Appraisal District Operation Survey and Electronic Appraisal Roll Submission*

\* Parcel count includes contracted appraisal services.

\*\*Parcels per appraiser does not include contracted appraisal services.

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