

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE KAUFMAN COUNTY APPRAISAL DISTRICT

APPROVED

The Board of Directors of the Kaufman County Appraisal District held a meeting on Thursday, October 19, 2017 in the board room of the Kaufman County Appraisal District at 3950 S Houston Street, Kaufman, Texas. Members present were James Huffman, Ann McDonald, Mike Wood, Carole Aga, Bruce Bynum, Robert Dobbs and Brenda Samples. Member Jackie Self was absent. Also present were staff members Chief Appraiser Chris Peace, Royce Thomas and Audrey Grimes. Guest present were Attorney Braden Metcalf, Phil Major, editor of the Kaufman Herald, Matthew Richards of the Forney Messenger, Samantha Keats and John Carr.

A. Roll Call/Call to Order

Chairman Huffman called the meeting of the Kaufman County Appraisal District Board of Directors to order at 5:01 p.m. with a quorum present.

B. Invocation

Member Robert Dobbs gave the invocation

C. Pledge of Allegiance & Texas Pledge of Allegiance

Secretary Ann McDonald led the Board in the Pledge of Allegiances

D. Open Forum

No one spoke during the open forum

Chairman Huffman welcomed all guest and staff in attendance. Huffman acknowledged and congratulated Chief Peace on the birth of his son Cade Bryson.

E. Action Items

1. Review and Action on Minutes of August 22, 2017 meeting

After review of the minutes of the August 22, 2017 meeting, Bruce Bynum moved to approve the minutes as printed with Carole Age seconding the motion. A vote was taken with all being in favor Motion carried.

At this time Chairman Huffman stated he would be altering the order of items on the Agenda in order to move to the discussion items. Huffman stated items 1 and 2 may require additional time for discussion. After discussion of items 1 and 2, we will return to the action items for completion. As Chairman Huffman approached the podium he stated he would be taking over the meeting. "I want everyone here to understand what I'm saying. It needs to be said, and you need to hear every word of it" he said.

Serving as your elected Chairman of the Board of Directors, Huffman stated he specifically requested Mr. Peace place items 1 and 2 on the agenda today. Huffman advised for some time now I've been monitoring outside activities that are reflecting on Kaufman County Appraisal District. Our Chief Appraiser Mr. Chris Peace has absolutely nothing to hide from the public. It is my goal and intention to discuss these concerns publicly and to moderate and lead the discussion. Our Chief Appraiser, Mr. Chris Peace is available to clarify and/or expand. If any irregularities or situations are

brought to our attention, Huffman stated we would make them right. We should never avoid open honest discussion and that's the purpose of this discussion. All Appraisal Districts operate under close oversight of the Texas Comptroller of Public Accounts. The Appraisal District Board of Directors in which Huffman made reference to, is the highest level of authority at the local level. This Appraisal District Board of Directors is not to be confused with the District's Appraisal Review Board which the Board of Directors has the responsibility to appoint. The Appraisal Review Board conducts taxpayer protest hearings and operates independently of the Appraisal District Board. The Board of Directors do not receive compensation for their services unlike the Appraisal Review Board who does receive compensation. Most members of the Board of Directors are citizens appointed by taxing units but may be taxing unit officials such as county tax assessor/collectors, school board members, county judges, county commissioners, city council members, or other elected officials. On this board Mr. Dobbs, Mr. Bynum and Ms. Self, who is not present and myself, serve as citizen appointees. We as a board also walk a fine line as to delegated business responsibilities to our Chief Appraiser who was hired by and ultimately responsible to this board. Mr. Huffman recognized Mr. Braden Metcalf whom he requested be in attendance this evening. Huffman requested Metcalf advise the Board if the discussion this evening was to cross of legal boundaries.

Huffman referred to discussion item #1. With that Huffman read a public post that appeared on two internet websites and can also be found on other websites such as Facebook, twitter, etc. This article relates directly to all three subsections of discussion item #1. The author is Mr. Aaron Harris who is billed as the Executive Director of Direct Action Texas. Under the heading about the Appraisal District, it states this is a political advocacy organization with two of four focus areas government transparency and government ethics. The address for Direct Action Texas is stated in Tarrant County the City of North Richland Hills. The website can be located at directactiontx.com. The identical article can also be accessed at Kaufmancountyteaparty.org. click on local issues it will show a posted date of September 21, 2017. As a taxpayer of this county Huffman stated he too was a strong proponent of government transparency and ethics.

At this time Chairman Huffman read the article.

Huffman stated after reading the article he took a citizen's approach by reviewing the district's website. The district's website provides a significant amount of information without ever having to contact our Chief Appraiser.

F. Discussion Items

1. Public post/comments regarding KCAD procedures in Property appraisals, exemptions and litigation for properties located as follows:
 - a. U. S. Hwy 80 vacant tract 13 acres
(PID 6509 and PID 6513 Ref. #1)
Huffman was able to verify the land value as stated in the article. Some issues are not verified on the website for example the District has been working with this property since 2009. December 14, 2009 a suit was filed against not only the

District but Chief Peace as well. In the same court action Chief Peace was sued individually this with prepositions, meditations numerous judgements reached until an agreed judgement was reached this appraisal district was taken to the cleaners at the expense of the taxpayer in Huffman stated. We were not represented by Mr. Metcalf at that time. Mr. Peace was newly appointed and faced a new learning experience when all this was happening. Reflecting back Huffman still wonders why it was not a jury trial. They were awarded \$26,000.00 in attorney fees to be paid immediately to the plaintiff who was not an elected official at the time.

Attorney Metcalf said his firm looks at the properties every year to recommend the prudent course of action for the district.

At this time Huffman open up the discussion for questions to Peace and Metcalf.

Attorney Braden Metcalf said that it is hard to overturn an agriculture exemption unless there is a change in use.

Attorney Metcalf explained the district accepts the use claimed by the owner, knowing the potential consequences of not accepting, which could include an expensive lawsuit.

b. 1660 Co Rd 103, Kaufman, TX (275 acres PID 11694 Ref #3)

Peace stated it is not the policy of the District to allow an individual to appraise their own property.

Mr. Peace said he failed to follow through with the final review. The article claimed Mr. Grimes property was valued at less than the original purchase price which was incorrect. Value of PID 11694 for 2017 was \$146,730.00. Member Wood stated it sounds as though the article is partially right and partially wrong. The property value has increased since the original purchase by Mr. Grimes.

c. FM RD 2965, Wills Point, TX (275 acres PID 187872 Ref. #3)

This property is located behind Shadow Lakes and was donated to Gospel for Asia. Numerous dollars are donated each year with all being sent overseas except money for food and utilities. Huffman asked he was curious as to the local officials that have taken the trip to Asia as referenced in the article. Audience member Samantha Keats responded that the mayor of Wills Point and School Superintendent of Wills Point ISD were the ones the article refers. Mr. Metcalf stated he has never seen a property as unique as Gospel for Asia. Metcalf said there has been litigation around the state concerning religious properties. At the time the exemption was granted to Gospel for Asia all the paper work was in order. We will continue to review and update applications as the Chief Appraiser deems appropriate.

2. 2017 Open Records Request to KCAD:

- a. February 8, request received pertaining to 22 inquiries, requestor: Jimmy Joe Vrzalik
- b. June 2nd, 2017 request received pertaining to 4 requests, requestor: Jimmy Joe Vrzalik
- c. August 23rd, 2017 request received pertaining to 4 requests, requestor: Jason Trahan, WFAA
- d. August 31st, 2017 request received pertaining to 11 inquiries, requestor: Jimmy Joe Vrzalik
- e. September 28th, 2017 request received pertaining to 1 inquiry, requestor: Jimmy Joe Vrzalik
- f. October 3rd, 2017 request for form to submit to requestor: Christine Welborn, direction action.com

Chairman Huffman read through each of these request in addition to noting the district receives another request in a workday that must be completed as well.

The majority of these request have come from a former commissioner Jimmy Joe Vrzalik.

Huffman said the district has spent more than \$6,000.00 answering request, and that does not include a request made by Mr. Vrzalik on August 31st that has not been completed. Huffman stated there is a tremendous amount of expense associated with each of these request to the taxpayers of Kaufman County.

One such request from Mr. Vrzalik requested the current and previous five years of property cards for all residential, commercial or investment property, any protest or further legal action documents to the accounts, special valuations, exemptions, appraisal field work or change notes and sales data.

Mr. Vrzalik is requesting the information on the following individuals.: Chief Appraiser Chris Peace, County Judge Bruce Wood, Sheriff Bryan Beavers, former Judge Wayne Gent, Forney Mayor Rick Wilson, County Commissioner William (Skeet) Phillips, District Judge B. Michael Chitty, Commissioner Jackie Allen, Former Tax Assessor-Collector Tonya Ratcliff, Commissioner, Terry Barber, former Terrell Mayor Hal Richards, attorney R.B. Pool, Commissioner Mike Hunt, Former appraiser Tanner Grimes, former Sheriff David Byrnes, District Attorney Erleigh Wiley, Charles Shepard, Terrell EDC President Danny Booth, Terrell School Superintendent Michael French, Kaufman School Superintendent Lori Blaylock, Keith Bell, Sandra Wilson, Tom Norton, Rick Carmona, Robert Messer, Jeff Tolerton, Riter Hulseley, Jake Huffman, Orman Brothers Contract Trucking, Lanny Orman and Glynn Orman.

Other request from Vrzalik include all waterfront properties in Kaufman County, residential properties valued at \$500,000.00 or more, properties whose values were protested in the past five years, new improvements, including those not valued using a mass appraisal schedule, specific requests involving the Forney mayor and his companies and family members properties in Grandview and Talty Estates Subdivision,

top 10 taxpayers in several categories detailed information on current district employees, and information on Peace's employment.

Huffman classified Vrzalik's request as harassment using the state's open record laws.

Huffman requested the board be given an updated report at each meeting of expenses of Vrzalik's request.

Attorney Metcalf stated the district is not allowed to ask why Vrzalik is requesting the information.

Chairman Huffman requested the Board take a five-minute break before going into executive session.

After reconvening the meeting at 6:15 p.m., Chairman Huffman made a motion to convene in executive session in accordance with Section 551.071 (2) of the Texas Property Tax Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the attorney on any agenda item listed. Robert Dobbs seconded the motion. With all being in favor. Motion carried.

Chairman Huffman announced at this time the "The Board of Directors on October 19, 2017, beginning at 6:16 p.m., convened in an executive session with the Texas Open Meetings Act".

G. Executive Session

Mike Wood moved to reconvene open session with Ann McDonald seconding the motion. A vote was taken with all being in favor. Motion carried.

Chairman Huffman announced "The Board ended its executive session 6:49 p.m., with no action taken on October 19, 2017.

Attached is a Copy of Chairman Huffman's Presentation as Attachment to the Minutes

E. Return to Action Items

2. Annual Review of Investment Policy and Action to Update Signatures on Investment Policy and Banking

a. Update Signatures of Officers

Discussion and annual review of the Investment Policy the Board of Directors a motion to remove the name of Carolyn Harrison signature since her retirement in July '17 and it replaced that of Royce Thomas with no other changes. Robert Dobbs moved to approve the change in Treasurer seconded by Mike Wood. A vote was taken with all being in favor. Motion carried.

3. Review and Action to accept Capitol Appraisal Contract for 2018-2019

Peace stated there was no increase in services and he was requested the Board adopt the 2018-2019 Capitol Appraisal contract and after review would ask that the Board approve. After review and discussion Mike Wood moved to approve the Capitol

Appraisal contract for the 2018-2019 tax years. Seconded by Ann McDonald. A vote was taken by all in favor. Motion carried

4. Discussion and Action to approve on-line payment agreements

Peace stated he had been contacted by American National Bank to accept on-line payments. This ability to enable online payments on our website to individuals requesting to purchase Maps, make payments for open record request, etc. This option is available with no charge to the district. Any fees or surcharges for making payments online would be charged to the requestor. Bruce Bynum made a motion to approve seconded by Ann McDonald. A vote was taken will all in favor. Motion carried.

5. Discussion and Action on Appraisal Review Board appointment and interview process for the 2018-2019 term

Peace advised the board John Ashby is unable to serve another term. Peace stated the ad has been running in paper and the Board will have 3 returning members and 4 positions available. Peace informed the board he has received applications from Ms. Carter of Mabank, Ms. Countryman of Kaufman and Mr. John Williams of Terrell.

a. Confirm date for Interviews

Chief Peace with the Board of Directors proposed Wednesday, November 15th at 8:30 a.m. as the tentative date for Committee Interviews. Chief Peace will confirm the date and time as new applications are received in the mail. Ann McDonald made a motion to approve seconded by Carole Aga. A vote was taken with all being in favor. Motion carried.

6. Review and Action on Third QT Investment Report

Chief Peace presented the Third Quarter Investment Report for review and action by the board. This report showed a total of \$283.06 interest earned this quarter. After discussion, Mike Wood moved to approve this report as printed. Robert Dobbs seconded the motion. A voted was taken with all being in favor. Motion carried.

F. Discussion Items

3. PVS Update

Peace stated this is our year for PVS. Robert Castaneda has been contacted on the BPP and Commercial properties and is expecting to be contacted about residential properties in the near future.

4. Aflac/Colonial Life Option

Peace stated he has been contacted by two individuals that wish to come out and discuss the possibility of offering an Aflac/Colonial Life Policy to employees. If purchased it would be a payroll deduction to employees. After more review this may be placed on the December agenda.

5. Preliminary Values

Peace stated preliminary value estimate as of today is \$128,000.000.00 in new value. This is 40% less new value than last year but it is too early in the field season to make any determination of the new value \$89,000,000.00 is in the Forney area. At this time, we have we have one data collector Roy Don Rand and one full-time appraiser working in the Forney area. Peace stated after the first of the year he will assign several appraisers to working Forney.

6. Lexis Nexis program

Peace advised the Lexis Nexis program continues to move forward our representative plans to make another on site visit in the near future to check our progress, provide updates and answer questions.

7. Office Restructuring

Peace stated with the upcoming financial audit we may have additional funds that may enable us to review the back or western portion of the office for updates. In review of this area as for disaster file there is no window or exit door in case of an emergency.

8. Paychex Accounting

Peace stated after review Paychex has the ability to offer payroll, quarterly reporting, and also, health insurance through a larger pool. His meeting was very informative and plans he plans to review to see if any of the services could be cost effective for our district. Paychex has locations in Houston and New Orleans as well. In the near future Peace would like to review the Health Coverage they offer to see if there could be a savings.

9. Update on BOD resolutions and update attendance report

Peace advised the terms of James Huffman, Ann McDonald, Robert Dobbs and Jackie Self will expire the end of December. Letters for 2018 will be mailed out tomorrow to the entities for those board members that are up for review and let them know your intentions whether or not you are willing to serve another term.

10. I-Pads

Peace advised the Board plans were to implement the use of I-pads in to field work for 2018. Although he advised the Board there had been an accident with one of the I-pads. One of the I-pads had not been able to be located. Peace feared the missing I-pad was accidentally packed with old records that were sent to be destroyed. in the packing of old records sent to be destroyed. Chief Peace and Royce Thomas both tried to located the I-pad by contacting AT&T and Apple to no avail.

11. Set meeting Date

After discussion it was decided the next meeting date would be Thursday, December 7th, 2017.

G. Chief Appraiser Report

Albert Gomez is working pm cleaning up the department, and any back issues as well as current projects.

The department is currently working straight ownership changes as of the end of September and preparing for splits after certification.

Mapping Department is planning on tremendous increase I subdivisions and new plats, especially in Forney, currently we have set- up around 10 new plats since certification. Working on integrating license and ESRI products back in and not resource out, as well as new plotter.

Current project working with Pictometry and Appraisal staff on Change Finder program off our recent fly over of the county.

New hire Jessica Tallant started in June, is a quick learner and asset to the department. Albert is currently taking classes at Ellis CAD and Royce is scheduled to be out next week

Field work will begin in the ne xt 30-45 days by getting back into the Forney area for progress

Since first of the year.

Peace stated after review of the September '17 budget analysis included he saw no irregularities.

All tax rates are entered as tax bills are in the mail, we will prepare forms for the Comptroller's Office.

H. Adjournment

There being no further agenda items or discussion Ann McDonald moved to adjourn. The motion was seconded by Mike Wood. A vote was taken with all being in favor. Motion carried. Meeting adjourned at 7:15 p.m.



Ann McDonald-Secretary

Kaufman County Appraisal District Meeting
October 19, 2017
James M. Huffman Official Presentation

Serving as your elected Board of Directors Chair, I specifically requested that Mr. Peace place discussion items 1 and 2 on the agenda today. For some time, I have been monitoring outside activities that are affecting and reflecting on our Kaufman County Appraisal District. This Board of Directors and our Chief Appraiser, Mr. Chris Peace, have absolutely nothing to hide from the public and, accordingly, it is my goal and intention to openly discuss these concerns publicly this evening. It is also my intention to moderate and lead this discussion. Our Chief Appraiser is available to clarify and/or expand on what is said. If irregularities or situations that demand further attention are brought to our attention, we will face up and deal directly to make them right. We should never avoid open, honest discussion.

Within the State of Texas, there are 253 central appraisal districts. Potter and Randall Counties share. All districts operate under close oversight of the Texas Comptroller of Public Accounts. The Board of Directors (this board) is the highest authority at the local level. This board is not to be confused with the District Appraisal Review Board which we, the Board of Directors, have the responsibility to appoint on an annual basis. The appraisal review board schedules and conducts taxpayer protest hearings, and operates independently of this board once they have been appointed. They receive compensation for their services. Most Board of Director members are citizen representatives appointed by taxing units, but many can be area taxing unit officials such as county tax assessor/collectors, school board members, county judges, county commissioners, city council members or other elected officials. Mr. Dobbs, Mr. Bynum, Mrs. Self, and I are citizen appointees.

We also walk a fine line as to responsibilities of the Board versus delegated everyday business responsibilities of our Chief Appraiser who was hired by and is ultimately responsible to this board. Mr. Braden Metcalf, our attorney, is with us today and I ask, Braden, that you

raise the red flag should we unintentionally get out of legal bounds during our discussions.

Referring to discussion item #1 listed in our posted agenda, I would like to read a public post that currently appears at a minimum on at least two internet home page websites and also can be found on other media sites such as Facebook, Twitter, etc. This article relates directly to all three subsections of discussion item #1.

The author is Mr. Aaron Harris, who is billed as Executive Director of Direct Action Texas. Under the heading of "About Us", it is stated that this is a political advocacy organization in the DFW area with two of four focus areas being government transparency and government ethics. The address for Direct Action Texas is in the Tarrant County city of North Richland Hills. It can be found at directactiontx.com. The identical article can also be accessed at kaufmancountytparty.org, click "local issues" at the top of the home page and you have it showing a posted date of September 21, 2017.

As a taxpaying citizen of this county, state, and nation, I too am a strong advocate of government transparency and ethics, and that is the primary reasoning for my promoting the open discussion of these two items today. I feel assured that each member of this board would echo the same.

I will now read this article in the interest of knowing that everyone here is on the same page, particularly those that do not have access to the wording.

Read: "IN KAUFMAN – IT PAYS TO BE A CRONY" (Attachment #1)

Within our official meeting notice under item F. (Discussion Items), section 1, subsections a, b, and c , we have notice to discuss three different property I.D. s

Each of these relate to properties described in the aforementioned article.

After reading the article, I personally took a " taxpaying citizen" approach to verify statements made by using the Kaufman County Appraisal District's website where a significant quantity of detail exists

without contacting our Chief Appraiser. I will suggest we take each parcel, one at a time, and thoroughly discuss it before going to the next.

#1 –“ US 80 vacant tract 13 acres PID 6509 and 6513”

From the KCAD website, I am able to verify that the 2016 land market value for these two tracts was \$3,575,180 as stated in the article.

However, I actually know a great deal more about these properties since the district has been dealing with them for the past eight years.

A timeline history dates back to October 9, 2009 when the owner and/or his representative first appeared for a hearing before the Appraisal Review Board seeking agricultural exemption.

A district court lawsuit was filed against the Kaufman County Appraisal District on Dec 14, 2009 and within the same court action, Mr. Chris Peace was sued individually by the plaintiff. This court action with depositions, mediations and numerous delays drug out over a 21 month period until an agreed judgement was reached on Sept. 30, 2011.

My analysis as a representative of the people: this appraisal district, (and I purposefully use the slang idiom) “was taken to the cleaners” at the expense of taxpayers. I attribute this mostly to inadequate legal representation for the district. And I will further clarify, this was a former law firm representing the district that we parted ways with and not Mr. Metcalf's. Mr Peace was newly appointed to his position whenever all of this was initiated and was faced with a new learning experience. In hindsight, why was there not a jury trial ?

The bottom line was the question of “AG” exemption, which is still reflected today on the subject tracts.

The plaintiff was awarded \$26,600 in attorney fees which was required to be paid immediately and the district was still out fees for our attorney representation. The plaintiff to my knowledge was not an elected official at the time, so this would not have been an issue.

I now invite questions, discussion and suggestions from others of you and comments from Chris.

#2 – Referring to property ID 11694, I see on the district's website that a warranty deed was granted to the owners of record on March 28, 2013.

The appraised value of the property in 2012 was \$98,850. As of Jan 1, 2013, which would have been before the purchase of record on March 28th, the appraised value is \$85,100. The following year, 2014, the appraised value posted is \$132,580. For 2017, the value is \$146,730. The question appears to be what was the basis for reducing the overall market value from \$98,850 in 2012 to \$85,100 on January 1, 2013.

Mr. Peace holds final responsibility for these evaluations and I refer to him for further explanations as to allegations and statements made in the article.

#3- Reference PID 187872 , FM RD 2965, 275 acres:

I stand curious as to the identity of local officials who allegedly were on an all expense paid trip to Asia before the Gospel for Asia was granted tax- exempt status. I have been on this Board for ten years and have never heard this. The 2017 appraised value of this religious headquarters is \$36,905,190. I count 90 structures on the site as depicted on the district's website. Of that amount, \$26,000,000 is assigned to three large structures. Therefore, the housing structures in question would amount to roughly \$11 million (plus land values) of the total market value. I and others on this board have asked questions in the past about this complex. We have been assured that all documentation submitted by the Gospel for Asia for the tax-exempt status has been reviewed and concurred with by entity officials and our legal advisors. The facility lies within boundaries of the Wills Point Independent School District. Major taxing entities would be the school district and Kaufman County.

Any statements or comments regarding suggestions for further review.

OPEN RECORDS REQUESTS:

Discussion Item #2 relates to open record requests to the appraisal district received so far during this calendar year. The district has received some other such requests in addition to these listed, but those were considered minor in nature for response.

I will relate one example the district faces in responding to these very complicated and voluminous requests. The first request received on February 8, 2017 consisted of 22 separate categories. In the format requested, estimated time for completion was 60 hours of labor at a cost of \$1,081.00. This estimate was made following the rules of the Attorney General's Office.

Thirty five of these requests are made over the signature of one individual.

The sheer amount of detail in these unreasonable time-scope requests mandates that our Chief Appraiser enlist the services of outside resources in order to meet deadlines. In the interest of illustrating to the Board why this is necessary, I would like to read one recent request received on August 31, 2017.

AUGUST 23,2017 FIRST REQUEST (Attachment#2)

At the same time this letter was hand delivered to the district, ten other similar letters were included. Subject matters included all water front properties in Kaufman County, all accounts with residential improvement value of \$500,000 or more, all properties that were protested, all properties which new improvements have been added, the top ten taxpayers in the separate categories of residential, commercial, industrial, and land.

Remember, once these requests are logged in at the district, Chris has ten working days to provide a response under Texas law. You can imagine the time and research required to answer all of the information requested within the one letter I read; and then multiply that by eleven.

He has no alternative but to turn them over to our legal counsel, and we all know this is not an economical alternative.

These open records requests are themselves subject to open records legislation as is most other information regarding the Kaufman County Appraisal District.

As an unpaid appointed board member and taxpaying citizen of Kaufman County, I question the extensive costs to our Kaufman County taxpayers in satisfying these continuing actions. We must all ponder the overall purpose. On the surface there appears to be (and this is my terminology) "systematic harassment under the guise of the public's right to know".

In the interests of and as advocates of the taxpaying citizens of member entities within the Kaufman County Appraisal District, whom we represent, it is imperative that we address this matter.

With that said, I invite further discussion from fellow board members plus any response from Chris.

In Kaufman – It Pays To Be A Crony

POSTED BY AARON BARRIS | SEPTEMBER 18, 2017

Property taxes are the largest and most onerous taxes Texans pay. But in Kaufman County, it pays to be well-connected.

Donald Trump's election victory has been broadly viewed as retaliation by hard-working Americans to frustration with today's political establishment and its close companion—cronyism. The politically connected receive special treatment, while the average taxpayer foots the bill for both the taxes and special interest handouts.

While we often consider cronyism to be relegated to the federal level in Washington D.C., it's not. Cronyism is alive and well in Texas, particularly at the local level. Kaufman County provides an egregious example with inequities found in the state property tax system.

The Mayor of Forney – Rick Wilson – appears to be a personal beneficiary of preferential tax treatment. Wilson was able to get the appraised value of various parcels of real estate significantly lowered, including his personal residence.

Of particular interest are two parcels that he owns under the name SKW Holdings. (SKW Holdings is Rick Wilson's entity.) The two parcels – 6509 and 6513 – are commercial tracts of land along Highway 80 next to Baylor Hospital. Despite their prime commercial location, Wilson was able to get them zoned agricultural, known colloquially as an “AG” exemption. Unsurprisingly, the two parcels are not eligible for such treatment.

The two parcels were originally valued at \$3,575,180 combined, against which the owner would pay an annual property tax levy of \$59,915.87. The appraisal has been lowered 99.9 percent so that Wilson now pays only \$76.45 per year. (6509.1 / 6509.2; 6513.1 / 6513.2)

On yet another separate 45.6 acre tract, Wilson carries a sweetheart value of only \$173,510. As for his personal property, unlike many Kaufman county residents, his appraisal value has remained the same value for at least 6 years. All during a time period marked by record growth in appraised value. (Wilson's Personal Values [HERE](#))

Would you be surprised to learn that the cronyism doesn't stop with elected officials?

In 2013, Kaufman County Appraisal District's Senior Appraiser (who is now in Van Zandt) – (William) Tanner Grimes – purchased his personal residence for \$142,900. At the time of

purchase, the county listed the appraised value at \$98,850. Shortly after purchasing it, Grimes reduced the value on his own property to \$85,100 (See Record HERE).

In the years that have followed, Grimes's personal account has had a number of odd valuation changes made to it. To date his house is not assessed at the amount he paid for it 5 years ago. For Grimes, it literally pays to be the senior appraiser!

Kaufman also doles out benefits to those who are properly connected to local government officials. In the late 2000's, a religious group named Gospel for Asia moved their headquarters from Carrollton to Willis Point. It appears they understood how things really work in Kaufman (Skyview HERE).

The group showered local officials with an all expenses trip to Asia where officials were wined and dined. Upon return, the group's entire compound – which includes 85 homes, various community structures, and a worship facility – was granted tax-exempt status.

County records show the appraised values of the entire property at \$35,682,320 (Value HERE) yet they pay no taxes. State law explicitly designates only the worship center and the religious leader's parsonage as eligible for exemption, not the entire housing development for the congregation.

In Kaufman County, however, **the law is merely a suggestion**.

While other examples of property tax irregularities have been provided by sources inside the county, these are the most egregious and offensive.

The cronies get away with it when they make their deals in the dark. Local citizens must get more informed and engaged to help hold them accountable. Conservative reformers believe that this duty entrusted to taxpayers will be much easier to accomplish if government is put back inside its constitutional box.

In other words, a smaller government with less power and fewer responsibilities is much easier to hold accountable than the system we live under today.

- Facebook

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ATTACHMENT #2

Kaufman County Appraisal District
PO Box 819
Kaufman, TX 75142

RECEIVED

AUG 31 2017

KAUFMAN COUNTY
APPRAISAL DISTRICT

August 23, 2017

Chief Appraiser Chris Peace,

In accordance with the Texas Public Information Act, I am requesting the current and previous 5 years of property cards for all residential, commercial or investment property; Any protest or further legal action documents pertaining to the below-mentioned accounts including: copies of legal documents, person filed by and dates; Any special valuations, exemptions being applied to the above referenced properties, the year granted, any and all appraisal field work or change notes and sales data obtained; for which any of the identified residents listed below are named as owner in full or in part on the KCAD tax roll:

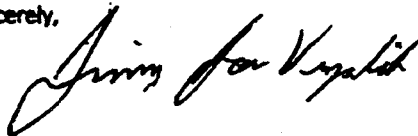
Chris Peace	RB Pool	Tom Norton
Bruce Wood	Mike Hunt	Rick Carmona
Bryan Beavers	Tanner Grimes	Robert Messer
Wade Gent	David Byrnes	Jeff Wolverton
Rick Wilson	Erleigh Wiley	Rita Hulseley
William Phillips	Charles Shepard	Jake Hoffman
B Michael Chitty	Danny Booth	Orman Brothers Contract Trucking
Jakie Allen	Michael French	Larry Orman
Tonya Ratcliff	Lori Blaylock	Glynn Orman
Terry Barber	Keith Bell	
Hal Richard	Sandra Wilson	

Please provide the information requested, in electronic (CD) format and delivered by mail to the following address:

Jimmy Joe Vrzalik
6769 FM 987
Terrell, TX 75160

If you have any questions regarding the information being requested, please feel free to contact me at: Jimmyjvzalik@hotmail.com. Please notify me in advance of any estimated costs to provide the requested information.

Sincerely,



Jimmy Joe Vrzalik