



Collin Central Appraisal District

2015 ANNUAL REPORT

Introduction

Collin Central Appraisal District ("District" or "CCAD") is a political subdivision of the State of Texas. The Texas State Constitution, Texas Property Tax Code and rules of the Texas Comptroller's Property Tax Assistance Division govern the operations of the District. The District is responsible for appraising all property in Collin County for each taxing unit that imposes an ad valorem tax.

Mission Statement

The mission of the Collin Central Appraisal District is to appraise all property in the Collin Central Appraisal District at market value equally and uniformly, and to communicate that value annually to each taxpayer and taxing jurisdiction.

Governance

CCAD is governed by a Board of Directors whose primary responsibilities under the Tax Code include the following:

- Establish the appraisal district office;
- Hire a chief appraiser;
- Adopt the CAD's annual budget;
- Select a chairman and a secretary from among ARB members;
- Appoint a taxpayer liaison officer;
- Biennially develop a written plan for the periodic reappraisal of all property in the CAD's boundaries;
- Have prepared an annual financial audit conducted by an independent CPA;
- Designate the CAD depository;
- Provide advice and consent to the chief appraiser concerning the appointment of an Agricultural Advisory Board; and
- Other statutory duties as provided by law.

To be eligible to serve on the Board of Directors, an individual must be a resident of the CAD and have resided in the CAD for at least two years immediately preceding the date of taking office. Members of the Board of Directors serve two-year terms beginning in January of even numbered years.

The chief appraiser is the chief administrator of the appraisal district and is appointed by the Board of Directors. The chief appraiser must be certified or actively working toward certification, as a Registered Professional Appraiser (RPA) through the Texas Department of Licensing and Regulation.

Appraisal Review Board members are appointed by the local administrative judge. To serve on

the ARB, an individual must be a resident of the appraisal district and must have resided in the District for at least two years. The Collin Appraisal Review Board is responsible, by statute, for the hearing and determination of taxpayer protests and taxing entity challenges. Agricultural Advisory Board members are appointed by the Board of Directors at the recommendation of the chief appraiser to aide him in determining typical practices and standards for agricultural activities in the District.

Taxing Jurisdictions Served by CCAD

The Collin Central Appraisal District is responsible for appraising all properties for each of the following 55 taxing jurisdictions within CCAD's boundaries.

- City of Allen
- City of Anna
- Bland ISD
- Blue Ridge ISD
- City of Celina
- Collin County
- Collin County MUD #1
- City of Dallas
- City of Farmersville
- City of Frisco
- City of Garland
- City of Josephine
- Leonard ISD
- City of Lowry Crossing
- City of McKinney
- McKinney MUD #1
- Melissa ISD
- City of Nevada
- City of Parker
- Plano ISD
- Princeton ISD
- Prosper ISD
- Rockwall ISD
- Royse City ISD
- Seis Lagos Water District
- Trenton ISD
- City of Weston
- City of Wylie
- Allen ISD
- Anna ISD
- City of Blue Ridge
- City of Carrollton
- Celina ISD
- Collin College
- Community ISD
- Town of Fairview
- Farmersville ISD
- Frisco ISD
- Gunter ISD
- City of Lavon
- Lovejoy ISD
- City of Lucas
- McKinney ISD
- City of Melissa
- City of Murphy
- Town of New Hope
- City of Plano
- City of Princeton
- Town of Prosper
- City of Richardson
- City of Royse City
- City of Sachse
- Town of St. Paul
- Van Alstyne ISD
- Whitewright ISD
- Wylie ISD

Key Annual Cycles

The appraisal process can be categorized into three calendar cycles; *“Appraisal & Informal Review Cycle”*, *“Exemption and Rendition Cycle”* and *“ARB Protest and Roll Certification Cycle”*. On our homepage at <http://www.collincad.org> you can see our active phase for each of the key cycles, with each phase linking to a detailed description of activities within the selected cycle.

Tax Rates

A complete listing of tax rates and exemptions, allowed for all taxing entities in Collin County, is available on CCAD's website at:

http://www.collincad.org/ccad/reports/rates_exemptions.php

Certified Totals Reports and Certified Taxable Value Summary Spreadsheet

Annual reports of Certified Totals are available for viewing on CCAD's website at <http://www.collincad.org/download/reports>. You can select either our detailed "Certified Total" or "Certified Value Summaries".

Property Value Study (PVS)

Once every two years the Texas Comptroller's Office conducts a study to determine the uniformity of and median level of appraisals by the District within each major category of property. [Click here to view the CAD Summary Worksheet and School District Summary Reports](#) from the 2014 study.

Methods and Assistance Program (MAP)

Once every two years the Texas Comptroller's Office conducts a review of the governance, taxpayer assistance, operating procedures and the appraisal standards, procedures and methodology of each appraisal district. CCAD successfully completed the 2015 MAP review with the summary results, released in January 2016, shown on the following pages. CCAD is scheduled for its next MAP review in 2017.



METHODS AND ASSISTANCE PROGRAM 2015 REPORT

Collin Central Appraisal District



Glenn Hegar Texas Comptroller of Public Accounts



Collin Central Appraisal District

Mandatory Requirements	PASS/FAIL
1. Does the appraisal district have up-to-date appraisal maps?	PASS
2. Is the implementation of the appraisal district's most recent reappraisal plan current?	PASS
3. Does the appraisal district comply with its written procedures for appraisal?	PASS
4. Are values reproducible using the appraisal district's written procedures and appraisal records?	PASS

Appraisal District Activities	RATING
Governance	MEETS ALL
Taxpayer Assistance	MEETS ALL
Operating Procedures	MEETS ALL
Appraisal Standards, Procedures and Methodology	MEETS ALL

Appraisal District Ratings:

Meets All – The total point score is 100.

Meets – The total point score ranges from 90 to less than 100.

Needs Some Improvement – The total point score ranges from 85 to less than 90.

Needs Significant Improvement – The total point score ranges from 75 to less than 85.

Unsatisfactory – The total point score is less than 75.

Review Areas	Total Questions in Review Area (excluding Not Applicable questions and Not Evaluated questions)	Total "Yes" Points	Total Score (Total "Yes" Questions/Total Questions) x 100
Governance	3	3	100
Taxpayer Assistance	15	15	100
Operating Procedures	10	10	100
Appraisal Standards, Procedures and Methodology	35	35	100



Collin CAD

Review Questions and Answers

This review is conducted in accordance with Tax Code Section 5.102(a) and related Comptroller Rule 9.301. The Comptroller is required to review appraisal district:

- governance;
- taxpayer assistance;
- operating procedures; and
- appraisal standards, procedures and methodology.

Each CAD is reviewed every other year. This report details the results of the review for the appraisal district named above.

Because of the diversity of property within Texas, some parts of the review may not be applicable to a county. If questions or a section of questions do not apply, such as when a county has no timber, the question or questions will be marked as “Not Applicable” and the final score will not be negatively impacted by these questions. Some questions will be marked as "Not Evaluated" when an appraisal district meets the criteria set forth in the Methods and Assistance Program review guidelines.

GOVERNANCE

- | | |
|---|----------------------|
| 1. Did the board of directors meet at least quarterly in the prior year, as required by Tax Code Section 6.04(b)? | YES |
| 2. If the board of directors held an executive or closed session in the prior year, was it shown on the meeting agenda for one of the purposes authorized by law? | YES |
| 3. Did the board of directors evaluate the performance of the chief appraiser and discuss the evaluation with him or her at any time from Jan. 1, 2012 to the time of the issuance of the preliminary MAP report in 2014 or 2015? | YES |
| 4. Did the board of directors take official action to select an auditor to prepare the annual financial audit as required by Tax Code Section 6.063 in the prior year? | NOT EVALUATED |
| 5. Did the board of directors solicit bids for a bank depository in any year since 2009 as required by Tax Code Section 6.09(c)? | NOT EVALUATED |
| 6. Did the board of directors designate a bank depository by official action in any year since 2009 as required by Tax Code Section 6.09(b)? | NOT EVALUATED |

TAXPAYER ASSISTANCE

- | | |
|--|----------------|
| 7. Has the appraisal district implemented its public relations plan described in the IAAO Standard on Public Relations? | YES |
| 8. Does the appraisal district have written documents explaining how property is appraised for use by property owners? | YES |
| 9. Does the appraisal district's website offer the ability to file protests to the appraisal review board online as required by Tax Code Section 41.415? | YES |
| 10. Did the chief appraiser publicize in a manner reasonably designed to notify all property owners of the requirements of law relating to the filing of rendition statements and reports and the availability of forms, as required by Tax Code Section 22.21 in the current or prior year? | YES |
| 11. Did the chief appraiser publicize in a manner reasonably designed to notify all residents in the appraisal district of the legal requirements for filing exemption applications and the availability of application forms, as required by Tax Code Section 11.44(b), in the current or prior year? | YES |
| 12. Did the chief appraiser publicize in a manner reasonably designed to notify all residents of the appraisal district of the requirements for special appraisal of land used for agricultural, timber, and open-space purposes and the availability of application forms, as required by Tax Code Sections 23.43(f), 23.54(g), and 23.75(g), in the current or prior year? | YES |
| 13. Did the chief appraiser deliver notices to the property owners who were required to receive them stating that exemption applications were required and provide appropriate application forms in the current year, as required by Tax Code Section 11.43(c)? | YES |
| 14. Did the chief appraiser deliver notices to property owners whose exemptions were cancelled in the prior or current year, as required by Tax Code Section 11.43(h)? | YES |
| 15. Did the chief appraiser deliver appropriate exemption application forms in the current year to persons who in the preceding year were allowed exemptions requiring annual applications, as required by Tax Code Section 11.44(a)? | YES |
| 16. Did the chief appraiser deliver notices of modifications or denials of exemption applications that included brief explanations of the procedures for protesting the actions in the current or prior year, as required by Tax Code Section 11.45(d)? | YES |
| 17. If the chief appraiser received a report of decreased value from a property owner, was a notice of value determination delivered to the property owner, as required by Tax Code Section 22.03(c)? | NOT APPLICABLE |
| 18. Did the chief appraiser deliver notices and application forms to property owners whose open-space land use changed or eligibility ended for special appraisal in any year since Jan. 1, 2010, as required by Tax Code Section 23.54(e)? | YES |

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| 19. If the chief appraiser imposed a penalty for failure of a property owner to notify the appraisal district that land no longer qualifies for open-space special appraisal in any year since Jan. 1, 2010, was a notice of imposition of the penalty and an explanation of the procedures for protesting the imposition of the penalty delivered to the owner, as required by Tax Code Section 23.54(i)? | NOT APPLICABLE |
| 20. Did the chief appraiser deliver notices of denials of applications for open-space land designation that include brief explanations of the procedures for protesting the denials and full explanations of the reasons for the denials in the current or prior year, as required by Tax Code Section 23.57(d)? | YES |
| 21. In the current or prior year, did the chief appraiser deliver notices of determinations that a change in use of open-space land has occurred and include in the notices an explanation of the owner's right to protest the determinations, as required by Tax Code Section 23.55(e)? | YES |
| 22. In the current or prior year, did the chief appraiser include with the notice of appraised value an application form for a residence homestead exemption if the property did not qualify for a residence homestead exemption in the current tax year, as required by Tax Code Section 25.19(b-2)? | YES |
| 23. Has the appraisal district's board of directors implemented its procedures explaining how taxpayer complaints are handled, as required by Tax Code Sections 6.04(f) and (g)? | YES |

OPERATING PROCEDURES

- | | |
|---|------------|
| 24. Are the appraisal district's written procedures for hiring new staff specifying the job responsibilities, advertising the job, screening applicants, interviewing candidates, and selecting qualified candidates implemented and operational? | YES |
| 25. Is the appraisal district's records retention plan as required by Local Government Code Section 203.042 operational? | YES |
| 26. Is the appraisal district's public funds investment plan as required by Government Code Sections 2256.005 operational? | YES |
| 27. Have the disclosure requirements for appraisal district staff under Local Government Code Chapter 176 been implemented? | YES |
| 28. Are the appraisal district's personnel policies/manuals/procedures operational in the current year? | YES |
| 29. Did the appraisal district implement purchasing policies that comply with Local Government Code Chapter 252 in the prior year? | YES |
| 30. Did the appraisal district maintain a partial exemption list as required by Tax Code Section 11.46 and Comptroller Rule 9.3010 in the current or prior year? | YES |
| 31. Do the exemption forms used by the appraisal district comply with Comptroller Rule 9.415? | YES |
| 32. Has the appraisal district implemented written procedures for applying "capped" homestead property values as required by Tax Code Section 23.23? | YES |

33. Does the appraisal district have written procedures concerning disaster recovery and mitigation? **YES**

APPRAISAL STANDARDS, PROCEDURES AND METHODOLOGY

34. Has the appraisal district begun implementation of the *2013 Texas Property Tax Assistance Property Classification Guide*? **YES**

35. Did the appraisal district comply with its written procedures for identifying and inspecting new property in the current year? **YES**

36. Did the appraisal district comply with its written procedures for identifying upgrades and new improvements to existing properties in the current year? **YES**

37. Did the appraisal district supplement its appraisal records with omitted property in the prior or current year, according to the requirements of Tax Code Section 25.21? **YES**

38. Do the appraisal district's appraisal practices conform to its appraisal manual and procedures for residential property? **YES**

39. Do the appraisal district's appraisal practices conform to its appraisal manual and procedures for land valuation? **YES**

40. Do the appraisal district's appraisal practices conform to its appraisal manual and procedures for commercial property? **YES**

41. Do the appraisal district's appraisal practices conform to its appraisal manual and procedures for business personal property? **YES**

42. Do the appraisal district's appraisal manual and procedures for business personal property include up-to-date depreciation tables? **YES**

43. Do the appraisal district's appraisal practices conform to its appraisal manual and procedures for open-space or agricultural land? **YES**

44. Do the appraisal district's procedures comply with the Manual for the Appraisal of Timberland with regard to classifying qualified timberland by forest and soil type? **NOT APPLICABLE**

45. Does the appraisal district properly value qualified timberland based on forest and soil type? **NOT APPLICABLE**

46. Do the appraisal district's appraisal practices conform to its appraisal manual and procedures for the qualification and appraisal of land used for wildlife management? **YES**

47. Did the appraisal district use its data collection manual in the current year? **YES**

48. Did the appraisal district use its standards for accuracy for data collection in the current year? **YES**

49. Does the appraisal district perform multiple quality-control steps to ensure the accuracy and uniformity of property valuations? **YES**

50. Did the appraisal district use internally prepared ratio studies in the preparation or implementation of its reappraisal plan? **YES**

51. Are net-to-land calculations for the open-space land designated as native pasture reproducible from the appraisal records? **YES**

52. Are net-to-land calculations for the open-space land designated as dry and irrigated cropland reproducible from the appraisal records? **YES**
53. Since Jan. 1, 2012, did the appraisal district recognize that beekeeping is an agricultural use for 5 - 20 acres devoted to such a purpose for purposes of open-space land designations through the creation of guidelines and/or the approval of applications, pursuant to Tax Code Section 23.51(2)? **YES**
54. Are the appraisal district's cost schedules and appraisal models used in such a way that adjustments are made for neighborhood factors and property specific factors? **YES**
55. Are ratio studies used in the appraisal process for residential and vacant land properties? **YES**
56. Has the appraisal district adjusted its residential property cost schedules based on sales data, ratio studies, local conditions, and market factors within the past two years? **YES**
57. Has the appraisal district adjusted its commercial property cost schedules based on sales data, ratio studies, local conditions, and market factors within the past two years? **YES**
58. Does the appraisal district collect land sales and maintain a verified sales file? **YES**
59. Does the appraisal district collect residential sales and maintain a verified sales file? **YES**
60. Does the appraisal district collect commercial property sales and maintain a verified sales file? **YES**
61. Does the appraisal district collect multi-family property sales and maintain a verified sales file? **YES**
62. Does the appraisal district adjust land sales? **YES**
63. Does the appraisal district adjust residential sales? **YES**
64. Does the appraisal district adjust commercial sales? **YES**
65. Does the appraisal district adjust multi-family sales? **YES**
66. Does the appraisal district follow its procedures when valuing properties using the market sales comparison approach? **YES**
67. Does the appraisal district gather income and expense data and calculate values using the income approach for multi-family properties? **YES**
68. Does the appraisal district gather income and expense data and calculate values using the income approach for retail properties? **YES**
69. Does the appraisal district gather income and expense data and calculate values using the income approach for office properties? **YES**
70. Did the appraisal district provide all the data in the format requested relating to Tax Code Sections 23.01(e) and 41.43(a-3)? **YES**

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