



**PUBLIC HEARING
2021 - 2022 AMENDED REAPPRAISAL PLAN
&
SPECIAL
BOARD OF DIRECTORS MEETING
(CONDUCTED ONSITE AND TELEPHONICALLY)**

March 4, 2021

MEETING NOTICE & AGENDA

FILED

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STACEY KEMP
COUNTY CLERK
COLLIN COUNTY, TEXAS
BY : CL DEPUTY

**NOTICE OF PUBLIC HEARING
and
NOTICE OF SPECIAL MEETING**

**BOARD OF DIRECTORS
of the
COLLIN CENTRAL APPRAISAL DISTRICT**

(CONDUCTED ONSITE & TELEPHONICALLY)

Notice is hereby given that on the 4th day of March 2021, at 7:00 a.m., the Board of Directors of the Collin Central Appraisal District will hold a Public Hearing on the Amended 2021-2022 Reappraisal Plan and meeting at the Central Appraisal District Office, 250 Eldorado Pkwy., McKinney, Texas. The Board Chairman will direct the meeting from the District's office, in the Dr. Leo Fitzgerald board room. Board members and the public may attend in person or connect via the telephone number and conference ID below. The chief appraiser and selected staff will attend in person, with other members of the District's staff connecting from their individual offices or from a remote location. Board members, staff and the public will have telephonic access by dialing 1-833-304-4846, at which time they will be prompted to enter the Conference ID: 865 116 83#. Telephonic access will be available at 7:00 a.m. until the meeting is adjourned by the Board Chairman. The subjects to be discussed are listed on the agenda which is attached to and made a part of this notice. The Board's agenda packet is available on the District's public website: <https://collincad.org/boards/bod>

On this 25th day of February 2021, this notice was filed with the County Clerk of Collin County, Texas.



Bo Daffin
Chief Appraiser
Phone: (469) 742-9200

AGENDA

BOARD OF DIRECTORS COLLIN CENTRAL APPRAISAL DISTRICT

Thursday, March 4, 2021

SPECIAL MEETING & 2021-2022 AMENDED REAPPRAISAL PLAN HEARING -Conducted at

**CENTRAL APPRAISAL DISTRICT OFFICE
250 Eldorado Parkway, Dr. Leo Fitzgerald Board Room
McKinney, Texas 75069**

I. 2021-2022 AMENDED REAPPRAISAL PLAN HEARING

ITEM #	SUB #	ITEM DESCRIPTION
A.		Call to order: 7:00 a.m.
	1	Announcement by presiding officer whether the public hearing has been posted in the manner required by law.
	2	Roll call: Announcement by presiding officer whether a quorum is present.
B.		Conduct 2021-2022 AMENDED REAPPRAISAL PLAN HEARING
C.		Adjourn 2021-2022 AMENDED REAPPRAISAL PLAN HEARING

II. SPECIAL MEETING

ITEM #	SUB #	ITEM DESCRIPTION
A.		Call to order: (Immediately following 2021-2022 AMENDED REAPPRAISAL PLAN HEARING)
	1	Announcement by presiding officer whether the meeting has been posted in the manner required by law.
	2	Roll call: Announcement by presiding officer whether a quorum is present.
B.		Executive Session
	1	Consultation with attorney regarding pending or contemplated litigation. Pursuant to Texas Open Meetings Act, Section 551.071.
	2	Deliberation regarding real property. Pursuant to Texas Open Meetings Act, Section 551.072.
	3	Personnel matters. Pursuant to Texas Open Meetings Act, Section 551.074.

AGENDA
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT

- C. Action on items discussed in executive session**
- 1 Action on any items pertaining to litigation, if any.
 - 2 Action on any items pertaining to real property, if any.
 - 3 Action on any items pertaining to personnel, if any.

CONSENT AGENDA

The Consent Agenda will be acted upon in one motion and contains items which are routine and typically noncontroversial. Items may be removed from this agenda for individual discussion by a Board Member, the Chief Appraiser or any citizen.

- D. Approval of minutes from January 28, 2021 regular meeting.**
- E. Review of January 2021 bills.**
- F. Review of January 2021 financial reports.**
- G. Review and sign checks for approved purchases requiring Board signature.**
- H. Review report of January 2021 checks and electronic transfers greater than \$25,000.**

END OF CONSENT AGENDA

- I. Adopt 2021-2022 Amended Reappraisal Plan final version from the Public Hearing.**
- J. Receive recommendation and vote on resolution continuing emergency status due to COVID-19.**
- K. Receive recommendation and vote on a resolution authorizing the chief appraiser to dispense with in-person 2021 informal protests, as a part of the District's effort to guard the health of its staff, property owners and their representatives and the public.**
- L. Discuss and vote on a resolution supporting the Appraisal Review Board's emergency operations resolution, including protest hearings being conducted based on evidence offered by affidavit or declaration, including telephonic arguments according to Sec. 41.45(b) Texas Property Tax Code.**

AGENDA

BOARD OF DIRECTORS COLLIN CENTRAL APPRAISAL DISTRICT

M. Discuss and vote on conducting telephonic board meetings and/or telephonic board workshops, while the Covid-19 Disaster Declaration continues.

N. Discuss and vote on scheduling the first 2022 budget workshop in conjunction with the board's April 2021 board meeting.

O. Receive recommendation and vote on establishing Appraisal Review Board (ARB) allowances under Policy #1008.

P. Reports

1 Taxpayer Liaison Officer Report.

Q. Chief Appraiser's Report

1 2021 Appraisal Project Update.

2 2020 Property Value Study (PVS) update.

3 2021 Method & Assistance Program (MAP) update.

4 General Comments.

III. AUDIENCE

A. Receive public comments. Five minute limit per speaker, unless extended by Board vote.

IV. ANNOUNCEMENT OF NEXT REGULAR SCHEDULED MEETING

V. ADJOURNMENT

Agenda Item Reference: I. Public Hearing

2021 – 2022 Amended Reappraisal Plan



**2021 – 2022
REAPPRAISAL PLAN
(AMENDED)**

March 4, 2021

Collin Central Appraisal District 2021-2022 Reappraisal Plan

INTRODUCTION

General Overview of Tax Code Requirement

Passage of Senate Bill 1652 in 2005 amended the Texas Property Tax Code (TPTC) to require each appraisal district to prepare a biennial reappraisal plan. The following details the Tax Code requirements.

The Written Plan

Section 6.05, TPTC, is amended by adding Subsection (i) to read as follows:

- (i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place of the hearing. Not later than September 15 of each even numbered year, the board shall complete its hearing, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date.

Plan for Periodic Reappraisal

Subsections (a) and (b), Section 25.18, TPTC, are amended to read as follows:

- (a) Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05(i).
- (b) The plan shall provide for the following reappraisal activities for all real and personal property in the district at least once every three years:

- (1) identifying properties to be appraised through physical inspection or by other reliable means of identification, including deeds or other legal documentation, aerial photographs, land-based photographs, surveys, maps, and property sketches;
- (2) identifying and updating relevant characteristics of each property in the appraisal records;
- (3) defining market areas in the district;
- (4) identifying property characteristics that affect property value in each market area, including:
 - (A) the location and market area of the property;
 - (B) physical attributes of the property, such as size, age, and condition;
 - (C) legal and economic attributes; and
 - (D) easements, covenants, leases, reservations, contracts, declarations, special assessments; ordinances, or legal restrictions;
- (5) developing an appraisal model that reflects the relationship among the property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
- (6) applying the conclusions reflected in the model to the characteristics of the properties being appraised; and
- (7) reviewing the appraisal results to determine value.

Scope of Responsibilities

The Collin Central Appraisal District (“CCAD” or “District”) has prepared and published this reappraisal plan to provide our Board of Directors, taxing units, citizens, and taxpayers with a better understanding of the District's responsibilities and reappraisal activities. This report has several parts: a general introduction and then, several sections describing the proposed 2021-2022 reappraisal effort by the appraisal departments of the District.

The Collin Central Appraisal District is a political subdivision of the State of Texas created effective January 1, 1980. The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. A member Board of Directors, appointed by the taxing units within the boundaries of Collin County, constitutes the District's governing body. The Chief Appraiser, appointed by the Board of Directors, is the Executive Director of the appraisal district.

CCAD is responsible for local property tax appraisal and exemption administration for fifty-nine jurisdictions or taxing units. Each taxing unit, such as the county, a city, a school district, community college, water district, a MUD, etc., sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Property

appraisals are estimated values by the appraisal district and used by the taxing units to distribute the annual tax burden. The appraisals are generally based on each property's worth or market value. The District also administers and determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled persons, disabled veterans, and charitable or religious organizations.

The TPTC, except as otherwise provided, states that all taxable property is appraised annually at its "market value" as of January 1st. Under the Tax Code, "market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- both the seller and the buyer know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use, and;
- both the seller and buyer seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The Texas Property Code defines special appraisal provisions for the valuation of residential homestead property (Sec. 23.23), productivity (Sec. 23.51), real property inventory (Sec. 23.12), dealer inventory (Sec. 23.121, 23.124, 23.1241 and 23.127), nominal (Sec. 23.18) or restricted use properties (Sec. 23.83) and allocation of interstate property (Sec. 21.03). The Tax Code, under Sec. 25.18, requires each appraisal office to implement a plan to update appraised values for real property at least once every three years. CCAD's current policy is to conduct a general reappraisal of real and business personal property value every year, meaning that a property's appraised value is established and reviewed for equality and uniformity on an annual basis.

The appraised value of real and business personal property is calculated using specific information and data about each property. Using a computer assisted mass appraisal (CAMA) program, referred to as "PACS" (Property Appraisal & Collections System), and generally recognized appraisal methods and techniques, registered and trained appraisers compare the subject property information with data for similar properties and recent market data. The District adheres to the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable. Chapter 23 of the TPTC contains statutes dealing with appraisal methods and procedures. Section 23.01 of this chapter was amended in 1997 to specify that appraisal districts are required to

comply with the mass appraisal standards of USPAP (Standard Six) when the appraised value of a property is established using mass appraisal techniques.

Additionally, Sec. 23.01(h) of the TPTC was added in 2019 to address generally accepted appraisal methods and reads as follows:

Appraisal methods and techniques included in the most recent versions of the following are considered generally accepted appraisal methods and techniques for the purposes of this title:

- (1) the Appraisal of Real Estate published by the Appraisal Institute;
- (2) the Dictionary of Real Estate Appraisal published by the Appraisal Institute;
- (3) the Uniform Standards of Professional Appraisal Practice published by The Appraisal Foundation; and
- (4) a publication that includes information related to mass appraisal.

Plan Review, Amendments and Alterations

The Board of Directors, acting on a request from the Chief Appraiser, may review, amend, or alter this plan at the beginning of plan year two, if:

- the Chief Appraiser's request is made during a public Board of Directors meeting and is properly listed on the agenda for the Board meeting; and
- the Chief Appraiser identifies the portion of the plan to be altered or amended and substantiates the need to alter or amend the plan.

Calendar Amendments and Alterations

The Chief Appraiser is authorized to administratively amend or alter the 2021-2022 Calendar of Key Events, shown in Appendix B, as deemed necessary. Calendar changes can be made periodically and will not be considered as alterations or amendments to the plan and do not require action by the Board of Directors.

OVERVIEW OF DISTRICT OPERATIONS

2021-2022 Mass Appraisal Flow Chart - See Appendix A

2021-2022 Calendar of Key Events - See Appendix B

2021-2022 Key Personnel in Reappraisal Plan Implementation – See Appendix C

2021 & 2022 Budgets Adopted Annually by Reference

Personnel Resources

The office of the Chief Appraiser is primarily responsible for the overall planning, organizing, staffing, coordinating, and controlling of District operations. The Administration

Department's function is to plan, organize, direct, and control the business support functions related to human resources, budget, finance, records management, purchasing, fixed assets, facilities, and postal services. The Appraisal Department is responsible for the valuation of all real and personal property accounts. The property types appraised include land, commercial, residential, and business personal property. By authority of the Texas Occupations Code, the District's appraisers are subject to the laws and rules of Chapters 51 and 1151, and must be duly registered with The Texas Department of Licensing and Regulation. Customer support, including information and assistance to property owners and homestead exemption administration is the responsibility of the Customer Service Department.

The District staff, based on the 2021 adopted budget, consists of 143 full-time employees in the following departments:

- 8 – Administration (chief appraiser and business services)
- 70 – Appraisal Services (appraisal related functions including data collectors, abatements, absolute exemptions, and litigation)
- 5 – ARB & Agent Services (ARB support services and arbitration)
- 19 – Customer Service (customer support & residential exemptions)
- 13 – GIS, Mapping, & Records (GIS, maps, imagery, deed records, and records management)
- 8 – Information Services Technology (technology related functions)
- 20 – Appraisal Support Services (appraisal support staff)

Staff Education and Training

All appraisal district employees that perform appraisal work are subject to the laws and rules of Chapters 51 and 1151 of the Texas Occupations Code for Property Tax Professionals and must be duly registered with the Texas Department of Licensing & Regulation (TDLR). This agency is responsible for ensuring appraisers are professional, knowledgeable, competent, and ethical. This is accomplished through a statewide program of registration, education, experience, testing and certification for all property tax professionals for the purpose of promoting an equitable tax system.

Upon registration, appraisers registered with the Texas Department of Licensing & Regulation have up to five years to take a series of appraisal courses and exams in order to achieve certification as a Registered Professional Appraiser (RPA). During each subsequent 24-month period after certification, appraisers, except chief appraisers, must complete 30 hours of continuing education including 2 hours in professional ethics, the approved state laws and rules update course, and 3.5 hours of USPAP. Chief appraisers during this subsequent 24 month period after certification must complete 30 hours of

approved continuing education including at least 15 hours in programs devoted to one or more of the topics listed in Texas Occupation Code 1151.164(b) and 2 hours in professional ethics specific to the chief appraiser of an appraisal district, including a program on the importance of maintaining the independence of an appraisal office from political pressure.

Additionally, all appraisal personnel receive extensive training in the data gathering and valuation processes. Standardized manuals are provided to ensure uniform and accurate data collection. Senior personnel provide on the job data collection training in the office and reappraisal field area. Managers meet regularly with staff to introduce new procedures and regularly monitor appraisal activity to ensure that all personnel are following standardized appraisal methods and techniques.

Data

The District is responsible for establishing and maintaining approximately 391,500 real and personal property accounts covering 889 square miles within its territorial boundaries. This data includes property characteristic, ownership, and exemption information. Property characteristic data on new construction is updated through an annual field effort; existing property data is maintained through a field and office review. Sales are validated, as possible, during office review and a separate field effort when applicable; as well as being validated as part of the building permit process and annual reappraisal effort. General trends in employment, interest rates, new construction trends, and cost and market data are acquired through various sources, including internally generated questionnaires to buyers, real estate publications and services, and market data centers and vendors.

The District has a geographic information system (GIS) that maintains maps and various layers of data, including aerial photography. The District's taxpayer website provides a broad range of information available for public access, including detailed information on the appraisal process, property characteristics data, certified values, protests and appeal procedures, a list of taxing entities, links to other government agencies and property maps. Downloadable files of related tax information, District forms, exemption applications and business personal property renditions are also available.

Information Systems

The Information Services Technology (IST) Department maintains the District's data processing facilities, software applications, internet website, off-site backup/failover, and geographical information systems (GIS). District data are stored primarily under SQL relational databases. The primary makeup of server architecture is virtualized Intel/Microsoft based with the user base consisting of general-purpose workstations running predominantly Microsoft Windows. Active Directory is utilized for domain

management and account provisioning. Internet, VPN, FTP, and external site hosting is secured via an IPS firewall and demilitarized zones. Our geographic information system software is an ESRI based environment (ArcGIS/SDE) both internal and public facing. The District's Property Appraisal Collections System (PACS) is the software application that integrates our Computer Assisted Mass Appraisal (CAMA) system, document imaging, Eagleview oblique/aerial imagery, ortho photography and GIS.

District Boundaries

Effective January 1, 2008, the District's boundaries are the Collin County boundaries.

Independent Ratio Study and Review

In accordance with Chapter 5 of the Tax Code and Section 403.203 of the Texas Government Code, once every two years, the State Comptroller's Property Tax Division (PTD) conducts a property value study (PVS) in each appraisal district to determine the degree of uniformity and the median level of appraisal by the appraisal district within each major category of property. As part of this study, the Comptroller is required to apply appropriate standard statistical analysis techniques to data collected as part of the study of school district taxable values. The methodology used in the property value study includes stratified samples to improve sample representativeness and techniques or procedures for measuring uniformity. This study utilizes statistical analysis of sold properties (sales ratio studies) and appraisals of unsold properties (appraisal ratio studies) as a basis for value ratio reporting. The reported measures include median levels of appraisal, coefficient of dispersion (COD) around the median level of appraisal, percentage of properties within 10% of the median, percentage of properties within 25% of the median, and price-related differential (PRD) for properties overall by state category (i.e., categories A, B, C, D, F and L).

There are 22 independent school districts in CCAD for which appraisal rolls are annually developed. The preliminary results of the PVS are released in January of the year following the tax year being studied. The final results of this study are certified to the Education Commissioner of the Texas Education Agency (TEA) the following July. This outside (third party) ratio study provides additional assistance to the CAD in determining areas of market activity or changing market conditions.

Alternately from the PVS, once every two years, the Comptroller is required to review the governance, taxpayer assistance, operating and appraisal standards, procedures, and methodology used by each appraisal district, to determine compliance with generally accepted standards, procedures, and methodologies. At the conclusion of the review, the Comptroller releases the performance of the MAP review to the appraisal district.

APPRAISAL ACTIVITIES

Mass Appraisal Flowchart

The District's management and appraisal staff utilize the Mass Appraisal Flowchart, included in this document as Appendix A, as a general tool to manage the CCAD's reappraisal project workflow.

Appraisal Responsibilities

The field appraisal staff is responsible for collecting and maintaining property characteristic data for classification, valuation, and other purposes. Accurate valuation of real and personal property by any method requires a physical description of personal property, land and building characteristics. The appraisal staff is responsible for administering, planning, and coordinating all activities involving data collection and maintenance of commercial, residential, and personal property types which are located within the boundaries of Collin CAD. The data collection effort involves the field inspection of real and personal property accounts, as well as data entry of the data collected into the CAMA system. The goal is to periodically field inspect residential and commercial properties in the District a minimum of once every three years. The use of aerial imagery and a periodic digital photography project may also be used in meeting this goal. Ultimately, this goal is dependent on budgetary constraints.

Appraisal Resources

Personnel - The appraisal activities consist of 61 appraisers and 29 support personnel.

Data - The data used by field appraisers include the existing property characteristic information contained in PACS. The data is collected manually and through mass input techniques. Other data utilized are maps, sales data, fire, and damage reports, building permits, photos, and actual cost information.

Preliminary Analysis

Data Collection/Validation - Data collection of real property involves maintaining data characteristics of the property in PACS. Some examples of the information contained includes site characteristics, such as acreage or square footage amounts, and improvement data, such as square foot of building area, year built, quality of construction, and condition. Field appraisers use appraisal manuals that establish uniform procedures for the correct listing of real property. All properties are coded according to these manuals and the approaches to value are structured and calibrated based on this coding system. Appraisers use these manuals during their initial training and as a guide in the field inspection of properties.

The type of information contained in PACS for business personal property include business inventory, furniture and fixtures, machinery and equipment, location, and historical cost, if known. Appraisers conducting on-site inspections use a personal property manual during their initial training and as a guide to correctly list all personal property that is taxable.

Sources of Data - Sources of data are collected through the construction field efforts, reappraisal, informal appraisal reviews, ARB hearings, sales processing, mechanic liens, newspapers and publications, property owner correspondence and inquiries received via the District's website. The principal source of data comes from building permits received from taxing jurisdictions that require property owners to obtain a building permit for construction and/or repairs. Where available, permits are received electronically and loaded in PACS. Otherwise, paper permits are received and matched manually with the property's primary identification number by support services staff and then updated in PACS.

Data review of entire residential neighborhoods is generally a good source for data collection. Residential appraisers drive assigned neighborhoods to review the accuracy of the data and identify properties that need to be updated during the permit and reappraisal effort. During sales processing, property characteristics are also verified. Residential and commercial sales validation efforts involve office review and verification; and when needed, on-site inspections by field appraisers to verify property characteristics. Sale surveys are also mailed to grantors or grantees on all undisclosed residential and commercial sales.

Property owners are one of the best sources for identifying incorrect data that generates a field check. Frequently, the property owner provides sufficient data to allow correction of records without having to send an appraiser on-site. As the District updates information to its website, property owners have the opportunity to notify CCAD of data inconsistencies. For the property owner without access to the internet, letters are often submitted notifying the appraisal district of inaccurate data. Inconsistencies are addressed with an on-site visit by a data collector or appraiser.

Data Collection Procedures

Field data collection requires organization, planning and supervision of the field effort. Data collection procedures have been established for residential, commercial, and personal property. Appraisers are assigned throughout the county to conduct field inspections and record information in PACS accordingly. The quality of data used is extremely important in establishing accurate values of taxable property. While production standards are established and upheld for the various field activities, quality of data is

emphasized as the goal and is the responsibility of each appraiser. New appraisers are trained in the specifics of data collection set forth in the appraisal manual. All appraisers are routinely trained and mentored in listing procedures prior to field projects such as new construction and reappraisal. A quality control process exists through supervisory review of the work being performed by staff appraisers. Supervisors are charged with the responsibility of ensuring that appraisers follow listing procedures, identify training issues, and provide uniform training throughout the appraisal staff. When applicable, senior appraisers will also assist with quality control of the appraisal product.

Individual Value Review Procedures

Field Review - The date of last inspection, comments regarding the inspection, if applicable and the assigned appraiser are listed on the appraisal record. If a property owner or jurisdiction disputes the District's records concerning this data during a hearing, via a telephone call or correspondence received, then the record may be altered based on the evidence provided. When needed, a field inspection is conducted to verify the evidence for the current year's valuation or for the next year's valuation. Every year a field review of certain commercial market areas and residential neighborhoods in the jurisdiction are performed during the annual reappraisal effort.

Office Review - Office reviews are completed on properties where information has been received from the owner of the property, taxing jurisdictions, or other sources. Aerial and digital photographs are also used to verify property characteristics. When the property data is verified in this manner, field inspections may not be required.

Performance Test – Appraisal management, senior appraisers and staff appraisers are responsible for conducting ratio studies and comparative analysis to insure accurate and equitable appraised values.

Residential Property Valuation Process

INTRODUCTION

Scope of Responsibility

Residential staff appraisers incorporate a systematic approach and uniform application of appraisal methods and techniques to obtain estimates of value that allow for statistical review and analysis of results. Residential appraisal assignments are delineated from commercial assignments on the basis of state use code guidelines as established by the Comptroller's Office. The residential staff values residential single family, multifamily housing other than apartments, improvements on rural acreage and mobile homes. Residential appraisers are responsible, when a residential subdivision is substantially built-out, for maintaining lot values at market value and reviewing land to property ratios. Prior to a subdivision's substantial build-out, residential appraisers will review the land department's lot appraisals and provide feedback as deemed appropriate.

Appraisal Resources

- **Residential Personnel** - The residential appraisal staff consists of a director, a manager, six senior appraisers, 22 staff appraisers and additional support staff. Each senior appraiser is responsible for managing a team of staff appraisers and reviewing their assignments for accuracy and uniformity. Each residential staff appraiser has an average parcel count of approximately 15,000 properties. Residential senior appraisers are responsible for the more complex residential market areas. Complex market areas are generally referred to as those market areas with an average market value of \$700,000 or greater, and/or with property class codes being indicative of complex properties. Due to the nature of these assignments and the time necessary to monitor field work and quality control of their staff, senior appraiser account loads are an estimated 4,000 parcels.
- **Land Personnel** – The Land Department consists of a director, 6 staff appraisers and additional support staff. Appraisal territories are delineated by school district boundary lines.
- **Data** - A common set of data characteristics for each residential dwelling within the CCAD is collected in the field and the data is then entered into PACS. This property characteristic data drives the computer-assisted mass appraisal (CAMA) approach to valuation. Property data attribute information is verified and corrected based on on-site inspections as well as office review using digital photography or aerial oblique imagery.

Assignment

The Texas Property Tax Code, Section 25.18(b), requires the reappraisal plan to include a re-inspection of all real & personal property in the district at least once every three years.

Re-inspection of the Universe of Properties - Real property re-inspection for the 2021 and 2022 tax years will be completed using a combination of field inspections and office review. Office review of property will include: 1) the use of aerial photography and GIS imagery which allows for digital verification of building measurements and visual inspection of external economic influences, 2) existing property sketches and property characteristics, and 3) information obtained thru MLS searches where discrepancies in square footage and/or improvements to the property are noted and physically inspected for differences. For the 2021 tax year, a full growth flight pattern is scheduled to be flown on or around January 1, 2021. The 2022 tax year flight will be dependent on budget approval and is expected to be a full growth flight as well.

Re-inspection of Problematic Market Areas - A general reappraisal of all residential property is conducted annually utilizing a sales ratio study for each neighborhood. The selection process to facilitate a physical inspection of residential property, to ensure a re-inspection is performed at least once every three years, will be completed using a combination of resources and tools to determine which properties are slated for the re-inspection. The primary tool utilized to determine problematic market areas is the Pre-field Preparation Pack ("PFPP"). Staff appraisers utilize the PFPP to review numerous characteristics and trends of defined market neighborhoods within the county to prioritize each year's data collection workflow. Based on assigned accounts and organized into their market area neighborhoods, a PFPP report is prepared for each residential appraiser. For each neighborhood, the appraiser is able to review the following information: 1) the prior appraisal year's market status code which is assigned during the reconciliation period to reference the level and type of sales activity within the neighborhood; 2) the number of properties found within the neighborhood; 3) the number of deeds without known sale prices and the number with confirmed sale prices that have occurred within the current calendar year of appraisal (i.e. For 2021 dates = 02/01/2020-01/31/2021); 4) profile ratio study statistics to include number of sales analyzed, median sales ratio in comparison to appraised value, land value to median sales price ratio, land value to median appraised value ratio, and the sales ratio coefficient of dispersion (COD); 5) the number of real estate owned (REO) and short sale deeds, with confirmed sale prices, that have occurred within the current calendar year of appraisal and the percentage of this activity in relation to the total number of current calendar year sales; 6) breakdown of the number of quality classes within the neighborhood, the number of new construction starts, the number of vacant lots, and the number of January 1st re-inspections which are placed on accounts to review items of specific concern (i.e. known condition issues, additions, taxpayer requested

inspections, etc.); 7) number of informal inquiries and formal protests from the prior year and the ratio of these as it relates to the total property count for the neighborhood; and 8) breakdown of points assigned to sales ratio, land to market ratio, COD ratio, current year deeds without known sale prices, ratio of REO and short sale concentration as it relates to the number of current year sales, new construction starts, January 1st re-inspections, the ratio of prior year inquiry and formal protests. Point totals are summed and a ratio is determined by dividing by 60, the total number of points possible. From this ratio a priority rating of 1-4, with 1 being the highest priority, is assigned to the neighborhood. In addition, 9) the property code showing the last year the neighborhood was field inspected (FLD18, FLD19 or FLD20) is reviewed and coded for re-inspection if the neighborhood was last inspected outside of two years.

The PFPP report is updated after certification of the prior year and has the ability to be refreshed at any time throughout the current appraisal year. Prior to the start of field inspections, the data contained within the PFPP report is reviewed and used by the residential appraisal staff to assist them in preparing individual Business Work Calendars, which is a calendar and worksheet comprised of the neighborhood and account totals to be physically inspected for the upcoming appraisal year. Neighborhoods that are categorized as a priority “#1”, based on PFPP point totals, are physically inspected each year with their property counts calculated into the appraisers’ Business Work Calendar. Rural abstract and sub-division platted parcels that are outside city limit boundaries are physically inspected each year and also calculated into the Business Work Calendar. Generally, rural abstract and platted parcels, outside city limit boundaries, are physically inspected each year and calculated into the Business Work Calendars. For appraisal year 2021, due to significant delays in starting the 2021 appraisal project, caused by the impact of COVID-19 on completing the 2020 certified Appraisal Roll, rural parcels will be inspected utilizing updated aerial photography. At the beginning of the 2022 appraisal project the District will determine whether to conduct inspections physically or to continue utilization of aerial photography for rural or other property groups, as deemed appropriate. The remaining properties calculated into the Business Work Calendars come from those neighborhoods without field inspection property codes from the previous two years, thus ensuring each property within the county is physically inspected, at a minimum, once every three years. Through the use of the PFPP report and Business Work Calendars, appraisers are able to successfully plan their field work assignment in an organized and efficient manner that maximizes the appraisal districts’ ability to allocate its resources and manage the quality of work produced.

VALUATION APPROACH (Model Specification)

Land Analysis

A complete analysis of all land situated within the jurisdiction of Collin Central Appraisal District is conducted by the land appraisal department each tax year. A base lot value is developed for each residential parcel and may be table driven or flat priced. Specific land influences are used, as necessary, to adjust parcels outside the neighborhood norm for such factors as shape, location, size, and topography, among others. The appraisers use sales data when available, or abstraction or allocation methods to ensure that the land values developed best reflect the contributory market value of the land to the overall property value.

Residential Inventory

The market value of an inventory is the price it would sell as a unit to a purchaser who would continue the business. An inventory shall include residential real property which has never been occupied as a residence and is held for sale in the ordinary course of a trade or business. Per Section 23.12 of the Texas Property Tax Code, certain residential real property owned by the developer or builder may qualify for residential inventory analysis. There are three levels of trade (retail, builder, and developer) to consider when calculating the discount. The first step is to establish the retail value of the land and any improvements. The retail value is what the end user or homeowner would pay for the completed property. The builder and developer discounts are derived by discounting the retail values to present value by an appropriated discount rate through a discounted cash flow analysis (DCF). All completed residential lots and any improvements whether vacant or in any stage of completion are appraised initially at the retail level. The builder level of trade is considered to be at the wholesale level of trade. The builder may be on a takedown schedule to purchase a certain number of lots per quarter. The developer level of trade is considered to be at the manufacturer level. The developer assumes more risk than the builder because of the incurring development costs and holding the bulk of the lots until the subdivision is sold out. To determine the retail value, the appraiser will look to the market to see what the property would sell for with a willing buyer and a willing seller.

The Chief Appraiser will establish procedures for the equitable and uniform appraisal of inventory. The discount rate for each year's inventory analysis is calculated by adding the BAA bond rate from January 1st, as published by the St. Louis Federal Reserve Bank, to the overall consumer price index as of January 1st. There is a risk factor added to the total of the BAA rate and the CPI, usually in the 2-5% range. As an example, we might use 2.5% when the economy is strong and 5% when the economy is weak.

Area Analysis

Data on regional economic forces such as demographic patterns, regional location factors,

general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs are collected from private vendors and public sources. These sources help to provide field appraisers with a current economic outlook on the real estate market. Information is gathered from real estate publications, local real estate agents, fee appraisers, as well as the RAD report. Other sources include seminars, conferences, and continuing education courses that are required by the TDLR.

Neighborhood (Market Area) Analysis and Delineation

Neighborhood analysis involves the examination of how physical, economic, governmental, social forces and other influences affect property values. The effects of these forces are also used to identify, classify, and stratify comparable properties into smaller, manageable subsets of the universe of properties known as neighborhoods. Analysis of comparable market sales data forms the basis of estimating market activity and the level of supply and demand affecting market prices for any given neighborhood. Market sales reflect the effects of these market forces and are interpreted by the residential appraisers into an indication of a market value range for a given neighborhood. Although all three approaches to value are considered, residential sales can best be interpreted and applied using two generally accepted appraisal techniques; the cost approach and the market approach also known as the comparable sales approach. Generally, the comparable sales approach is utilized for residential properties as this method best replicates the actions of buyers and sellers. For low density multiple family properties or for residential rental properties the income approach to value may also be considered.

The first step in a neighborhood analysis is the identification of a group of properties that share certain common elements. A "neighborhood", for analysis purposes, is defined as a grouping of properties where the property's physical, economic, governmental, and social forces are generally similar and uniform. This grouping is often considered geographically or, as appropriate, may be delineated by grouping properties of similar construction within a geographic area. This stratification facilitates the measurement of local supply and demand factors that affect value. As neighborhoods are identified, the next step is to define their boundaries. This process is known as "delineation". Some factors used in neighborhood delineation include location, sales price range, lot size, zoning, age of dwelling, quality of construction, condition, and square footage of living area. Delineation involves the establishment of neighborhood boundary lines and the creation of corresponding neighborhood codes for properties within the grouping.

Part of neighborhood analysis is the consideration of discernible patterns of growth that influence a neighborhood's individual market. Few neighborhoods are fixed in character. Each neighborhood may be characterized as being in a stage of growth, stability, decline or revitalization. The growth period is a time of development and construction. As new

neighborhoods in a community are developed, they compete with existing neighborhoods. An added supply of new homes may induce population shift from older homes to newer homes. In the period of stability, or equilibrium, the forces of supply and demand are about equal. Generally, in the stage of equilibrium, older neighborhoods may be more desirable due to their stability of residential character and proximity to the workplace and other community facilities. The period of decline may reflect diminishing demand or desirability. During this stage, general property use may change from residential to a mix of residential and commercial uses. Declining neighborhoods may also experience renewal, reorganization, rebuilding, or restoration, which promotes increased demand and economic desirability, which is often recognized as the revitalization of a neighborhood.

Neighborhood identification and delineation is the cornerstone of the residential valuation system at the District. All residential analysis work, in association with the residential valuation process, is neighborhood specific. Neighborhoods are visually inspected to verify delineations based on observable aspects of homogeneity. Neighborhoods are periodically reviewed to determine if further neighborhood delineation is warranted. Each residential neighborhood is assigned a neighborhood or sub-neighborhood code based on observable aspects of homogeneity. Sub-neighborhoods are delineated to further refine the grouping of properties within a neighborhood. Typically, this may group properties based on influences of location such as a busy street, creek, greenbelt, golf course, power line, adjacent commercial influence, etc. Further, a region may be delineated in which properties in similar neighborhoods are grouped together at the school district level. An example of this grouping would be estate properties which are rural in nature or truly unique properties. Grouping by region is highly beneficial in areas of limited sales. Defining region groups serves to increase the available market data by linking comparable properties outside a given neighborhood. In all instances, sales ratio analysis, discussed below, is performed at the neighborhood, sub neighborhood (subset) or region level, on a comparable grouping basis.

Highest and Best Use Analysis

The highest and best use of property is the most reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legally permissible, financially feasible, and productive to its maximum. The highest and best use of residential property is generally its current use. This is due, in part, to the fact that residential development, in many areas, through use of deed restrictions and zoning, precludes other land uses. Residential valuation undertakes reassessment of highest and best use in transition areas and areas of mixed residential and commercial use. In transition areas with ongoing gentrification (redevelopment), the appraiser reviews the existing residential property use and makes a determination regarding highest and best use. Once the conclusion is made that the highest and best

use remains residential, further analysis is done to decide the type of residential use on a neighborhood basis. As an example, it may be determined in a transition area that older, non-remodeled homes, are not the most productive or profitable use and the highest and best use of such property is to demolish the old homes and construct new dwellings. In areas of mixed residential and commercial use, the appraiser reviews properties on a periodic basis to determine if changes in the real estate market require reassessment of the highest and best use of a select category of properties. See also Special Appraisal Provision for Highest and Best Use Valuation.

VALUATION AND STATISTICAL ANALYSIS (Model Calibration)

Pricing Schedules

Residential parcels in the District are valued from building class pricing schedules. The District's base building class schedules have been developed to reflect the county's local residential market. The schedules are developed in a manner similar to the comparative-unit method in that value is estimated in terms of dollars per unit of area as it generally relates to comparable properties. A review of the residential base building class schedules is preformed periodically by comparing comparable building class schedules to the corresponding cost table in Marshall & Swift, a nationally recognized cost estimator. The District then calibrates the residential improvement values at the neighborhood level to arrive at equitable market values.

In aging neighborhoods, where homes have been maintained at various levels of ongoing maintenance, an effective age adjustment may be applied by the appraiser. Please refer to the effective age definition, as found in the most current issue of Marshall & Swift Residential Cost Handbook.

The District recognizes all three approaches to value and considers the cost approach as an acceptable method. However, for residential property the District places primary emphasis on the market approach, as it is the most viable and accurate indicator due to it being the approach that replicates the actions of both buyers and sellers. Therefore, as previously stated, residential improvement values derived from building class schedules are adjusted at the neighborhood level by utilizing market driven ratio studies.

Income Models

The income approach to value may be useful to those real properties that are typically viewed as "income producing" if sufficient income data is available. For residential properties, this approach may be considered on rental properties where rental incomes are known as well as corresponding sale prices to produce a Gross Rent Multiplier (GRM).

Sales Information

A sales file for the storage of sales data for vacant and improved properties, at the time of sale, is maintained for residential real property. Residential improved and vacant land sales are collected from a variety of sources, including but not limited to:

- District survey letters sent to buyers & sellers,
- field discovery,
- protest hearings,
- Board of Realtor's MLS,
- builders,
- realtors,
- fee appraisals,
- closing statements, and
- placing "Green Tags" directly on properties with current deed activity where sales information has not been received.

Sales data is used for ratio analysis and neighborhood (market area) value adjustments. Each individual sale is compared to the Districts appraised value for the property to create an individual sales ratio. Sales ratios are grouped for each neighborhood code and statistically analyzed to review market conditions specific to each neighborhood. Coding has been established to define salient facts related to a property's purchase or transfer and to help determine relevant market sale price information. These codes include: type of instrument conveying title, state code, ratio code, sale type, source of confirmation and financing. As an analytical tool, neighborhood sales ratio reports are generated by the appraiser in the development and estimation of market value. In addition, in an effort to reflect the intentions of both buyer and seller, conditions of a sale must be considered. Any reported concessions made by the seller are considered and may be extracted from the sales price.

Statistical Analysis

The residential appraisal staff performs statistical analysis annually to evaluate whether values are equitable and consistent with the market. Sales ratio studies are conducted on each of the delineated residential neighborhoods (market areas) and a neighborhood profile is produced to study the two primary aspects of mass appraisal accuracy, level, and uniformity of value. Appraisal statistics of central tendency and dispersion, generated from sales ratios, are available for each defined market or "neighborhood" and are summarized by year. These summary statistics including, but not limited to, mean, weighted mean, median, coefficient of variation, and coefficient of dispersion provide the appraisal staff tools by which to determine both the level and uniformity of appraised value on a neighborhood basis. The level of appraised value is estimated by measures of central

tendency. During reconciliation, each appraiser reviews sales ratio statistics for the neighborhoods in their territory and make decisions as to whether the value level in a neighborhood needs to be adjusted. See Neighborhood Adjustment and Neighborhood Market Trends.

The Residential Analysis Database (“RAD”) Report

The RAD report is utilized to monitor the general direction (i.e. trend) of the residential market at the neighborhood, city, school, and county levels through the analysis of residential sales data. The report displays sales information in a format which allows the appraiser to have a snapshot of sales activity, including arms-length transactions, REO sales, short sales and homes posted for foreclosure, bracketing the January 1 appraisal date. The RAD report summarizes residential list price information pulled from PACS, which details the number of listings, the ratio of the sales price to list price and the average days on market. The report compares the previous year’s appraised value to the current year appraised value, then calculates the percent of change between the two. The RAD reports are typically processed and reviewed three times each year; first, at the beginning of the appraisal analysis reconciliation phase; second, after the system is locked, with all 25.19 notice values determined and being processed for printing; and third, after certification of the appraisal roll. While this report provides valuable information to the residential staff appraisers and senior staff, it in no way replaces the Sales Ratio Study which is the primary tool used to analyze market values each year.

Neighborhood Adjustment and Neighborhood Market Trends

Neighborhood adjustments are developed from appraisal statistics provided by ratio studies and are used to ensure that estimated values are consistent with the market. The RAD report is helpful at this point by assisting the appraiser in the identification of market trends within each individual market area. The District’s primary approach to the valuation of residential properties uses a hybrid “cost” sales comparison approach. This approach allows for adjustments at the neighborhood level to replicate market influences not captured in the base building class pricing tables. The neighborhood adjustment takes into consideration the location of the market area, physical attributes (size, age, and condition of the properties) and all legal and economic attributes that may affect values within the market areas, as well as any other enforceable restrictions.

The following equation denotes the hybrid model used:

$$MV = LV + NBHD \text{ mod } (RCN - D)$$

Whereas the market value (MV) equals land value (LV) plus the neighborhood modifier (NBHD mod) times the replacement cost new (RCN) less depreciation (D).

Residential land values will be estimated using the base lot method, which establishes the value of the standard or “base” lot, within each delineated neighborhood. The sales comparison approach, when applicable, is used to establish base lot values. In the absence of sufficient vacant land sales, the allocation method is used to establish base lot values for land tables within each neighborhood. Land tables are utilized to store a base lot mass pricing code and base lot value. Land adjustments will be applied on individual properties, where necessary, to adjust for such influences as location, shape, size, and topography, among others. These adjustments typically appear as a percentage, either added to or subtracted from the base lot price.

The cost approach separately estimates both land and building values and uses depreciated replacement costs, which reflect only the supply side of the market. It is expected that market adjustments to the value, produced by the pricing schedules, are needed to bring the level of appraisal to an acceptable standard. Therefore, modifiers are applied uniformly by market area to ensure equitable and accurate market values. Appraisers utilize the neighborhood analysis profile module to perform these calculations and document the neighborhood trends and findings for the given reappraisal effort.

All residential neighborhoods are appraised on an annual basis. A ratio study is utilized by the appraiser to compare appraised values to market values within each delineated neighborhood. Each sale produces a ratio by dividing the appraised value by the confirmed sales price. It is the culmination of all ratios in each neighborhood that produce the sample to which statistical measures are created and reviewed by each appraiser. A neighborhood factor is calculated to appraise the sample properties within each neighborhood at approximately 100% of the median ratio relative to their appraised value. Once tested, the neighborhood factor is applied to both sold and unsold properties within that neighborhood to ensure equitable and accurate market values. Appraisers review and ensure that the sales sample represents the typical/benchmark property in the neighborhood, thus producing representative and equitable values. GIS, aerial oblique photography, digital photography, and other edits are used during the neighborhood value review process.

SPECIAL APPRAISAL PROVISIONS

Appraisal of Residential Homesteads

Article VIII, Sec. 1 (i) of the Texas Constitution allows the legislature to limit the annual percentage increase in the appraised value of residence homesteads to 10% under certain conditions. This limitation is commonly referred to as a Homestead “Capped Value”. Section 23.23 of the Tax Code defines the cap on increases in value. The limited value begins in the second year the property qualifies for a residential homestead exemption. The appraised value of a qualified residence homestead may not exceed the LESSER of:

- the market value; or
- the sum of:
 - A. 10 percent of the appraised value of the property for the preceding tax year;
 - B. the appraised value of the property for the preceding tax year; and
 - C. the market value of all new improvements to the property.

Special Appraisal Provisions Concerning Highest and Best Use

Section 23.01(d) of the Texas Property Tax Code states: “The market value of a residence homestead shall be determined solely on the basis of the property’s value as a residence homestead, regardless of whether the residential use of the property by the owner is considered to be the highest and best use of the property.”

Residential Inventory

Sec. 23.12 of the Texas Property Tax Code provides the definition of market value and inventory: “...the market value of an inventory is the price for which it would sell as a unit to a purchaser who would continue the business. An inventory shall include residential real property which has never been occupied as a residence and is held for sale in the ordinary course of a trade or business, provided that the residential real property remains unoccupied, is not leased or rented, and produces no income.”

Residential inventory is appraised at its market value as of January 1. The District tracks deed conveyances to identify developer and builder ownership as of this date. A discounted cash flow model is developed and is the procedure used annually that considers value relative to income or cash flow, the discount rate and estimated sell-out periods. Residential properties valued in this manner are reviewed annually and inventory consideration is not utilized when ownership by builders has transferred to the property owner as of January 1.

Agricultural Appraisal

The Property Tax Code prescribes “qualified open space land” as being property to be appraised for tax purposes at a productivity value, while also recording market value in the appraisal records. Qualified open-space land is defined as land currently devoted principally to agricultural use to the degree of intensity generally accepted in the area and that has been devoted principally to agricultural use for a specified period of time. This productivity value is based on the land’s capacity to produce agricultural products. Property qualifying for agricultural appraisal will have a reduction in taxes based on the difference in agricultural appraisal and the market value of the property. Property taxes are deferred until a change of use of the property occurs. At the time of use change, the taxes are recaptured for up to three previous years, based on the difference in what was paid on

the agricultural appraisal and what would have been paid on the market value of the property. Procedures setting forth this method of appraisal are developed and distributed by the State Comptroller's Office via the manual titled The Appraisal of Agricultural Land. An application must be filed with the Chief Appraiser before the land is considered for agricultural valuation. The deadline for filing a timely application is before May 1. Late agricultural valuation applications may be filed up to the time the appraisal roll is certified. After an application is filed, the property is inspected to determine its qualification.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

The District's residential appraisers perform a field review at least once every three years, at which time selected properties are physically driven. Tools utilized in the field review process include but are not limited to the following:

- a neighborhood ratio study,
- information from previous ARB hearings and informal inquiries,
- residential Analysis Database (RAD Report),
- abstract and/or subdivision plats,
- current building permits,
- MLS listings,
- internal listing reports,
- aerial photography,
- field Review Sheet (FRS), and
- Pre-Field Prep Pack (PFPP)

A Field Review Sheet (FRS) is a document that contains recent and historical information on sales and permits, improvement sketches, and pertinent information about each individual property. During the field review process the appraiser will review data items such as: land value, PTAD codes, neighborhood code, legal description, situs, ownership, and exemption status, coded rechecks, quality of construction, condition, living area, additional improvements, and other factors contributing to the market value of the property such as physical, functional, and economic obsolescence. All properties with active permits are driven annually to determine the percent complete of new construction, additions, pools, out buildings, etc., as of January 1st. As applicable, properties with previous protest hearings, informal negotiation, or litigation are reviewed to determine if the previous value considerations remain appropriate for the current year.

Office Review

Once field review is completed, appraisers conduct a valuation review of the properties

within each neighborhood as outlined in the discussion of ratio studies and market analysis. Each residential neighborhood profile is reviewed. As mentioned in the assignment section of this plan, a Residential Analysis Database (RAD) Report is utilized by appraisers in order to measure increasing or decreasing market trends within each individually defined neighborhood, city, and school, as well as the entire county. This report allows the appraiser to study sales activity within different time frames in order to determine if REO transactions are affecting market values leading up to and bracketing the January 1st appraisal date. Utilizing the RAD report in conjunction with sales and listings in each market area, the appraisers assign a market area status code. The codes are color specific and are as follows:

- Orange – non-arm's length sales have captured the market and are driving listing and sale price levels.
- Yellow – Too few sales to know if the non-arm's length sales are driving the market. Listings and seller type should be considered heavily.
- Blue – Volume of non-arm's length transactions not exceeding typical for city/school/county.
- Green – Good to strong market, not affected by properties in the foreclosure process or bank owned listings.

This coding system is then captured on the RAD report, as well as other internal reports, to allow the user an overall understanding of the market trends of each delineated neighborhood (market area).

PERFORMANCE TESTS

Sales Ratio Studies

The primary analytical tool used by the appraisal staff to measure and improve performance is the ratio study. The District ensures that the appraised values produced meet the standards of accuracy in several ways. Sales ratios are generated for each neighborhood to allow the appraiser to review market trends within their area of responsibility and provide an indication of market appreciation or depreciation over a specified period of time. While reviewing sales ratios by neighborhood, the sales ratios statistics mentioned previously are generated. This statistical data is reported within each neighborhood profile. Typically, the sales in a profile are within a one-year range bracketing the January 1st appraisal date.

Equal and Uniform Analysis

Utilizing guidance from the Texas Property Tax Code, Sections 23.01 & 41.43(b)(3),

uniformity of residential property values is woven into each phase of the yearly appraisal process, from data collection to model calibration to neighborhood adjustments and market trending. Upon completion of yearly statistical review of sales ratio's and application of final neighborhood adjustments, residential appraisers and management perform the following tests to ensure final appraisal values are equal and uniform:

- Identification of characteristics of neighborhood benchmark property and review of benchmark representativeness within yearly sales sample.
- Review and compare neighborhood Coefficient of Dispersion (COD) and Price Related Differential (PRD) measurements against IAAO standards.
- Reconciled Analysis (Comparison Approach substituting market appraised value for the sales price).

Equity analysis will continue during informal meetings with property owners, during preparation of evidence for ARB hearings and during post-certification remedies.

Management Review Process

Once the proposed value estimates are finalized by the appraisal staff, senior appraisers review the sales ratios by neighborhood and ISD. This review includes comparison of level of value between neighborhoods. These final ratios are then reviewed by the residential Director and communicated to the Chief Appraiser for final review and approval. The primary objective of these reviews is to ensure that the proposed values within each neighborhood and ISD are equitable and reflect market value.

Commercial Property Valuation Process

INTRODUCTION

Scope of Responsibility

“Commercial Property” refers to those real properties generally associated with businesses that sell goods or services to the general public or businesses that add value to a product through development, manufacturing, fabrication, or processing of that product. Commercial properties are non-residential and non-agricultural properties usually found in areas zoned for business purposes. They include such property types as office, retail, industrial, hospitality, medical, and apartments, as well as others. The deputy chief appraiser for appraisal operations will apportion valuation responsibilities to the appraisers, generally by type, and the commercial appraiser will then create a work plan designed to complete the valuation assignments.

Appraisal Resources

- **Commercial Personnel** - The commercial appraisal staff consists of a director, a manager, 12 appraisers and support staff. Commercial appraisers will meet the requirements of the Texas Department of Licensing and Regulation (TDLR), as well as pursue continuing education training through the International Association of Assessing Officers (IAAO), Texas Association of Assessing Officers (TAAO), Texas Association of Appraisal Districts (TAAD), and other professional organizations. Appraisal responsibilities will be assigned according to property types i.e. apartment, office, retail, industrial, hotels, hospitals, nursing homes, and others.
- **Data** - Market data collected and utilized by the commercial appraisers will include verified sales of improved properties and pertinent data obtained from each (sales price levels, capitalization rates, income multipliers, equity dividend rates, marketing period, etc.). Other data considered by the commercial appraiser will include actual income and expense data, leasing information (commissions, tenant finish, length of terms, etc.), and actual construction cost data. In addition to the actual data obtained from specific properties, market data publications and informational data bases will also be reviewed in order to provide additional support for market trends. Splits, merges, ownership changes, and newly recorded additions regarding land in Collin County are updated by the District’s mapping department. Appraisers will be equipped with discovery forms on which appraisers in the field can list new construction found during their field work. Property data attribute information is verified and corrected based on on-site inspections, as well as office review using digital photography or aerial

oblique imagery. The District provides an interactive GIS within PACS with multiple layers of information including outlines of District parcels by year, most current available aerial maps, FEMA data, jurisdictional boundaries, roads/streets, and others. The District's GIS system is searchable by property identification number (PID). Additionally, the District provides aerial photographs through EagleView. EagleView provides both traditional orthogonal "straight down" photographs as well as oblique images taken from approximately a 40-45 degrees perspective. The District also subscribes to the Dallas Morning News and the Dallas Business Journal and gathers other general and property specific information from other print and online news sources. District staff also collects information from other sources including property owners, neighbors, the internet, real estate agents, brokers and their websites, construction professionals, and other appraisers.

- **Operational Support** – Collin Central Appraisal District will provide office resources, clerical support, data processing support, GIS/mapping support, computing hardware and software, including an application software database sufficient to develop the mass appraisal and prepare the appraisal records.

Assignment

The assignment of each commercial appraiser is to develop annual valuations for commercial properties assigned to them in compliance with the District's biennial reappraisal plan and at market value as defined by the Tax Code located within the boundaries of Collin County with the effective date of January 1st of each year. Appraisers will plan their work and finalize proposed valuations in a timely manner necessary for the delivery of the Notice of Appraised Value as required by §25.19 of the Tax Code. The commercial appraiser will be prepared to review, both informally and formally, the results of their valuations with property owners or their agents and will be prepared, if necessary, to present a defense of their proposed valuations before the Collin Appraisal Review Board. Once values are certified, the commercial appraiser will be prepared to present a defense of value before an independent arbitrator, at a SOAH hearing or as a result of litigation filed by a property owner or agent.

Valuation

The commercial appraiser will use generally accepted appraisal methods and techniques and mass appraisal standards in compliance with USPAP and will take care to use similar methods and techniques for similar properties while also considering the individual characteristics of each property.

Legal Attributes Affecting Value

The effect of changes from governmental restrictions, easements, deed restrictions,

encumbrances, leases, contracts, or special assessments will be considered in the individual valuation of the property to which they apply.

Identifying and Updating Relevant Property Characteristics

The District will create and maintain an appraisal record for each commercially classified property and display these properties on its appraisal roll. The appraisal records will include, if known, owner's name and address, property legal description, parcel identifiers, appraised value of land and improvements, applicable exemptions and/or abatements, tax year and other such information required by statute or deemed necessary by the District. Activities scheduled for each tax year include inspection of new construction, demolition, remodeling, and re-inspection of specified market areas.

Discovery – New Construction

Utilizing building plans filed with the appropriate taxing jurisdiction, building permits, certificates of occupancy, information from property owners, taxing jurisdictions, tax agents, real estate professionals, real estate publications, media services, oblique imagery, orthographic imagery, physical inspection and other appropriate resources, the commercial appraisal staff will locate, appraise, and include in the District's appraisal records new construction based on its market value.

Discovery – Remodeling, Reconfiguration and Demolition

Utilizing building plans filed with the appropriate taxing jurisdiction, building permits, certificates of occupancy, information from property owners, taxing jurisdictions, tax agents, real estate professionals, real estate publications, media services, oblique imagery, orthographic imagery, physical inspection and other appropriate resources, the commercial appraisal staff will analyze the valuation effect of remodeling, reconfiguration or demolition, and update property values as necessary. Appraisers will also utilize business personal property links in the CAMA system for discovery.

Field Review and Inspections

Appraisal assignments for commercial appraisers will be based on property category or property type. Each appraiser will be responsible for conducting inspections of their universe of assigned properties in accordance with this plan and applicable statutes. Each appraiser will also be responsible for conducting field review of properties, as necessary. The date of last inspection, notes of inspection as deemed appropriate, and the commercial appraiser responsible will be listed in the appraisal record.

Appraisers' field review will identify the market area and include the review of the property characteristics, such as, building class, quality of construction, physical improvement characteristics, property use, gross and net rentable square footage, access, visibility,

condition, and physical, functional and economic obsolescence factors contributing significantly to the market value of the property, and other observable factors or conditions deemed relevant to or influencing the valuation of the property.

Re-inspection of the Universe of Commercial Properties

The Texas Property Tax Code, Section 25.18(b) requires the re-inspection of the universe of properties at least once every three years. Two-thirds of the existing commercial property base will be inspected during 2021 and 2022. Re-inspection of commercial properties will be completed using a combination of field inspections and office review. Office review of property for the 2021 tax year will include the examination of aerial photography provided by EagleView, property sketches and existing property characteristics. The use of oblique and orthographic imagery for the 2022 tax year will be dependent on funding in the 2022 budget.

VALUATION APPROACH (Model Specification)

Preliminary Analysis

Prior to beginning the valuation activities for an appraisal year, the commercial appraisal staff and deputy chief appraiser will review the results of the preceding year. Goals and objectives will be determined jointly by the commercial staff and management. Budget, calendar issues and resource availability will be considered. Appraisal resources, including staff and system needs, will be evaluated. Appraisal Review Board activity and value changes in the informal appeals process will be reviewed. A preliminary internal ratio study will be produced in order to identify any property category or geographic area that may require additional research or analysis. The commercial appraisal staff will work with support staff to properly identify and input data regarding sold properties, income and expense statements, rents, for sale listings, building permits, building plans and other pertinent information. District administration and personnel will interact with and exchange information with other assessment officials through professional trade organizations.

Defining Market Areas

Area Analysis - Data on regional economic forces such as demographic patterns, regional location factors, employment and income patterns, general trends in real property prices and rents, interest rate trends, availability of vacant land, and construction trends and costs will be collected from both private and public sources and reviewed.

Economic Analysis - The Collin Central Appraisal District consists of a wide variety of property types including residential, commercial, and industrial. A market analysis involving the examination of how physical, economic, governmental, and social forces, and other influences will be performed. The effects of these forces are also used to identify, classify,

and organize comparable properties into smaller, manageable subsets.

These subsets define economic groups such as improved property use types (apartment, office, retail, industrial, etc.) based upon an analysis of similar economic or market information. This information includes rental rates, building class, date of construction, overall market activity or other pertinent influences. Economic group identification and delineation by each major property use type is the benchmark of the commercial valuation system. The three approaches to value are economic group specific. Economic groups are periodically reviewed to determine if re-delineation is required. These economic groups can be further divided based on their location within a taxing jurisdiction, economic sub-market, or neighborhood.

Highest and Best Use Analysis

The highest and best use is the most reasonable and probable use that generates the highest present value of the real estate as of the date of valuation. The highest and best use of any given property must be physically possible, legally permissible, financially feasible, and maximally productive. For improved properties, highest and best use is evaluated as improved and as if the site were still vacant. This assists in determining if the existing improvements have a transitional use, interim use, nonconforming use, multiple uses, speculative use, excess land, or a different optimum use if the site were vacant. Improved properties reflect a wide variety of highest and best uses which include, but are not limited to: office, retail, apartment, warehouse, light industrial, special purpose, or interim uses. In many, if not most instances, the property's current use is the same as its highest and best use.

Model Development

The District will develop models that reflect the relationship among the characteristics affecting value within each property category in the market area. These models, which include cost and income schedules, cost tables and others will be the result of market data studies based on information such as permit costs, rents, expenses, and other local market conditions received from public and private sources.

Sales Data

CCAD receives a copy of the deeds recorded in Collin County that convey ownership of commercially classed properties. Where applicable, deed records that are filed in adjacent counties, the District will coordinate acquiring ownership information and copies of said deeds. For those properties involving a transfer of ownership, a sales file will be produced which begins the research and verification process. This initial step in sales verification involves a computer-generated questionnaire, which is mailed to the grantee and grantor in the transaction. In other instances, sales verification will be obtained from other sources

including: brokers, agents, appraisals, as well as local, regional, and national real estate and financial publications. Finally, closing statements are often provided during the hearings process. The actual closing statement will be the most reliable and preferred method of sales verification.

Cost Tables

Cost tables will be developed based on the Marshall & Swift Valuation Service. The tables will include the derivation of replacement cost new (RCN) based on the improvement category and class. The tables will also include adjustments for certain property characteristics, such as HVAC, and will list the expected economic life of the improvement category. Because a national cost service is used as a basis for cost models, location modifiers will be necessary to adjust these base costs to the regional and local market area. These modifiers are provided by the national cost services.

Depreciation schedules will be developed based on the range of expected economic life spans of the commercial property categories being appraised. These schedules are then tested, where applicable, to ensure they are reflective of current market conditions. The actual and effective ages of improvements are maintained in the commercial appraisal records. Effective age estimates are based on the utility of the improvements relative to where the improvement lies on the scale of its total economic life and its competitive position in the marketplace.

Income Schedules

Income schedules and other reports which identify typical market operating assumptions of buyers and sellers regarding income-producing properties will be developed. These schedules and reports will be based on physical inspections, information received from property owners and their agents, operating data and statistical analysis from real estate and financial publications, and other public or private sources.

Using collected income data, the commercial appraisers will attempt to determine typical operating conditions found in different income-producing property types. The ranges of various income value components such as base rent, other income, vacancy and collection loss, operating expenses, capitalization rates, and others will be compiled and utilized in the income valuations.

VALUATION AND STATISTICAL ANALYSIS (Model Calibration)

Model Calibration

Model calibration involves the process of periodically adjusting the mass appraisal formulas, tables, and schedules to reflect the contribution of the individual characteristics

affecting values and current market conditions. After these contributions have been considered, adjustments can be made to the models and/or schedules.

Cost Schedules

The cost approach to value will be applied to all improved real property utilizing the comparative unit method. This methodology involves the utilization of the commercial cost tables developed from Marshall & Swift. This approach also employs the sales comparison approach in the valuation of the underlying land value. Land valuation is completed by the Land Department. The depreciated value of all improvements will be added to the land value so that a total property value will be calculated for the individual parcel.

The appraisers will then divide the property types into subsets based on shared common influences of value. The cost approach derived values within these groups will be compared to the results of sales ratio studies, sales comparison grids, income characteristics, and/or other analysis, and the calibration of cost schedules will be considered based on these studies. Other smaller groups or individual properties may be identified which vary from the norm. Overrides to the cost value of the individual property or of the small groups will be applied, if warranted.

Income Models

The income approach to value will be applied to those real properties which are typically viewed by market participants as “income producing”. The commercial appraiser will apply market derived pro forma assumptions to these properties either through an individual direct capitalization module within the property or through market derived income schedules to arrive at an income valuation.

The first step in the income approach is the estimation of market rent. This will be derived primarily from actual rent data furnished by property owners or lessees, budgeted rent data furnished by the property owners, asking rent data and local market study publications. Next, a projected vacancy and collection loss allowance will then be established from actual data furnished by property owners and local market publications. This allowance accounts for periodic fluctuations in occupancy, both above and below an estimated stabilized level. The market derived stabilized vacancy and collection loss allowance is then subtracted from the potential gross rent estimate to yield an effective gross rent.

Next, any secondary income will be calculated based on market conditions. Secondary income represents parking income, escalations, reimbursements, and other miscellaneous income generated by the operations of real property. The secondary income estimate is derived from actual data collected and available market information. It is then added to effective gross rent to arrive at an effective gross income.

Next, allowable expenses and expense ratio estimates will be calculated based on a study of the local market, with the assumption of prudent management. Operating expenses are classified as typical operating expenses associated with a specific category of property. Different operating expense ratios are developed for different types of commercial property based on use. Typical expenses include management, utilities, property insurance, property taxes, repairs, maintenance, etc. Expenses can be expressed as a lump sum, a rate per square foot, or a ratio percentage that represents total expenses divided by effective gross income. Another form of allowable expense is the replacement of short-lived items requiring expenditures of large lump sums. When these capital expenditures are analyzed, they will be applied on an annualized basis as stabilized expenses. When performed according to local market practices by commercial property type, these expenses are known as reserves for replacements. Subtracting the allowable expenses from the effective gross income yields an estimate of net operating income.

Capitalization analysis is used in the income approach models. This methodology involves the capitalization of net operating income as an indication of market value for a specific property. Capitalization rates, both overall cap rates for the direct capitalization method and terminal cap rates for discounted cash flow analysis, can be derived from the market. Sales of improved properties from which actual income and expense data are obtained provide a very good indication of what a specific market participant is requiring from an investment at a specific point in time. In addition, overall capitalization rates can be derived from financial reports and publications. Also, real estate publications will be utilized as a source of overall capitalization rates and terminal capitalization rates.

Next, the estimated net operating income (NOI) is divided by the selected overall capitalization rate or the “loaded capitalization rate” (the overall capitalization rate plus the previous year tax rate), as appropriate. This calculation results in a market value estimate, at stabilized occupancy.

Next, the effect of extraordinary vacancy will be estimated by calculating the net present value (NPV) of rent loss, including the cost of leasing commissions and tenant improvements. The NPV will be calculated based on the anticipated period of time to bring the property to stabilized occupancy. Rent loss for extraordinary vacancy is lost rental income while a property is moving from its current occupancy toward stabilized occupancy. Additionally, if applicable, the effect of rent concessions will be estimated by calculating the NPV of rent loss from rent concessions. The NPV will be calculated based on the length of time indicated by the market regarding the anticipated duration of the rent concessions. Rent loss due to concessions is a loss in rent that is the result of an inducement for a tenant to lease space in the property. This is usually in the form of free rent for a certain

period of time. The NPV of rent loss will be deducted from the market value estimated at stabilization.

Next, based on typical land to building ratios for the property type, the land value for excess land will be added to the market value estimate at stabilization. The result of this series of calculations in the direct capitalization model will be the indicated market value of the subject property.

After the income models and/or schedules are applied, the property's rates and multipliers can be derived from the results of the valuation. These rates include gross rent and income multipliers, and others. Rates and multipliers vary between property types, as well as by location, quality, condition, design, age, and other factors. Therefore, application of the various rates and multipliers must be based on an analysis of the market. The appraisers will then divide the property types into subsets based on shared common influences of value. The income approach derived values and rates within these groups will be compared to the results of sales ratio studies, sales comparison grids, cost characteristics, and/or other analyses and the income schedules and/or assumptions can be calibrated based on these studies.

Sales Comparison (Market) Approach

Although all three of the approaches to value are based on market data, the Sales Comparison Approach is most frequently referred to as the Market Approach. This approach is utilized not only for estimating land value, but also in comparing sales of similarly improved properties to parcels on the appraisal roll. As previously discussed in the Data Collection section of this plan, pertinent data from actual sales of properties, both vacant and improved, is pursued throughout the year in order to obtain relevant information which can be used in all aspects of valuation. Sales of similarly improved properties can provide a basis for the depreciation schedules in the Cost Approach, rates and multipliers used in the Income Approach, and as a direct comparison in the Sales Comparison Approach. Improved sales are also used in ratio studies, which afford the appraiser an excellent means of judging the present level and uniformity of appraised values.

SPECIAL APPRAISAL PROVISIONS

Special Appraisal Provisions Concerning Highest and Best Use

Section 23.01(d) of the Texas Property Tax Code states "The market value of a residence homestead shall be determined solely on the basis of the property's value as a residence homestead, regardless of whether the residential use of the property by the owner is considered to be the highest and best use of the property."

Special Appraisal Provisions Concerning Appraised Value Lowered Under Subtitle F
Section 23.01(e) of the Texas Property Tax Code states “Notwithstanding any provision of this subchapter to the contrary, if the appraised value of property in a tax year is lowered under Subtitle F, the appraised value of the property as finally determined under that subtitle is considered to be the appraised value of the property for that tax year. In the following tax year, the chief appraiser may not increase the appraised value of the property unless the increase by the chief appraiser is reasonably supported by substantial evidence when all of the reliable and probative evidence in the record is considered as a whole.”

Exemptions

The Texas Property Tax Code provides for an exemption from taxation for commercial properties which fulfill certain requirements as listed in Chapter 11, Subchapter B.

Abatements

The Texas Property Tax Code also provides for a local agreement between a taxpayer and a taxing unit that may abate all or part of real property, generally commercial property, and/or tangible business personal property, from taxation.

INDIVIDUAL VALUE REVIEW PROCEDURES

Field Review

After the appraisal roll has been certified in late July and the next year’s level has been opened in PACS the management will meet with appraisal staff to review the prior years’ ARB hearings to determine which property types or market areas might require increased inspections, additional data, or adjustments to the District’s valuation methods. Tools utilized by individual commercial appraisers during field work will include, but are not limited to, the following sources or types:

- Appraisal Review Board Records,
- taxing jurisdiction records or information (permits, plans, zoning, etc.),
- physical inspection records,
- deed records,
- cadastral maps, aerial photography, EagleView, GIS, etc.,
- documents, information, or statements provided by the owner, lessee, property manager, tax agent or other advocate, or representative, or employee of the owner or lessee,
- fee appraisals,
- applications or forms filed with the District by or for the owner or lessee, previous owners or lessees, or potential owners or lessees, and

- any other public or private source pertaining to the market value of the properties being appraised.

Office Review

After the physical inspection of assigned properties have been completed, the commercial appraiser will begin an office review of the results of the field review as well as information assembled from additional sources, including:

- sales of improved and vacant properties and the pertinent data obtained from each (sales price levels, capitalization rates, income multipliers, equity dividend rates, marketing period, etc.),
- closing statements and other title documents,
- purchase agreements or contracts,
- annual income and expense statements,
- actual leases (lease abstracts, rent rolls, length of terms, expense structure, rent escalations, rent concessions, etc.),
- budgeted income and expenses statements,
- actual construction cost data (construction contracts, AIA documents, etc.),
- asking rents (commissions, tenant finish allowances, length of terms, expense structure, etc.),
- market data publications and informational data bases which provide information regarding specific properties as well as statistical support for market trends,
- fee appraisals,
- taxing jurisdiction records or information (permits, plans, zoning, etc.), and
- any other public or private source pertaining to the market value of the properties being appraised.

Commercial Appraisal Manual

The primary manual pertinent to data collection and documentation is the Commercial Appraisal Manual. This manual provides a uniform system of itemizing the multitude of components comprising improved properties. Commercial properties located within the District's boundaries will be coded according to this manual and the approaches to value will be structured and calibrated based on this coding system.

PERFORMANCE TESTS

Sales Ratio Studies

Sales ratio studies are an integral part of establishing equitable and accurate market value estimates and ultimately assessments for the taxing jurisdictions. The primary uses of sales ratio studies include the determination of a need for general reappraisal, prioritizing

selected groups of property types for reappraisal, identification of potential problems with appraisal procedures, assisting in market analysis and to calibrate models used to derive appraised values during the reappraisal. Sales ratios will be generated by use type to allow appraisers to review general market trends in their area of responsibility. In many cases, field reviews may be conducted to ensure the ratios produced are accurate and the appraised values utilized are based on accurate property data characteristics.

Comparative Appraisal Analysis

The commercial appraiser will perform an average unit value comparison in addition to a traditional ratio study. These studies are performed on commercially classed properties by property use type and are conducted on substrata such as building class and within various economic areas. In this way, overall appraisal performance is evaluated geographically and by specific property type.

Equal and Uniform Analysis

In addition to the Sales Ratio Studies named above, utilizing guidance from the Texas Property Tax Code, Sections 23.01 & 41.43(b)(3), the District's commercial appraisers and commercial management team will employ the following analysis to test the uniformity of appraisals, by property category, property use property class and market area, as deemed appropriate.

- Comparison Cost Approach Analysis
- Comparison Appraisal Approach Analysis (substituting market appraised value for Sales price)
 - Comparison Grid adjustment factors are based on Multiple Linear Regression coefficients.
- Income Approach Analysis
 - Income Grid NOI adjustment factor is based on a Simple Linear Regression coefficient.
- Reconciled Analysis
 - Reconciled weight of Comparison Appraisal Approach and Income Approach based on RSQ and Adjusted RSQ, from their Regression analysis.

As appropriate, equity analysis will continue during informal meetings with property owners, during the preparation of evidence for ARB hearings and during post-certification remedies.

Business Personal Property Valuation Process

INTRODUCTION

Scope of Responsibility

The Business Personal Property Department (BPP) of the Collin Central Appraisal District is responsible for developing fair and uniform market values for business personal property accounts. There are four different account types appraised: (1) business personal property, (2) leased assets at multiple locations, (3) commercial aircraft, and (4) utility communications and railroad properties.

Personnel – The BPP staff consists of a director, 6 staff appraisers and support staff.

Data – A common set of data characteristics for each account in the District are collected by appraisers in the field, by phone, and other pertinent sources and are entered into PACS by both the appraiser and support staff. These assigned property characteristics are used to assist the appraisal staff in determining market value.

VALUATION APPROACH (Model Specification)

SIC Code Analysis

Four-digit numeric codes, called Standard Industrial Classification (SIC) codes, are used as the basis for classification and valuation of business personal property accounts. The SIC code classification is used in order to group business types that have similar property characteristics. CCAD has implemented property codes to further define and delineate similar business types within a SIC code.

SIC code identification and delineation is the cornerstone of the business personal property valuation system in the District. All the analysis work performed in association with the valuation process is SIC code specific. SIC codes are delineated based on observable aspects of like properties and are periodically reviewed to determine if further delineation is warranted.

Highest and Best Use Analysis

The highest and best use of property is the most reasonable and probable use that supports the highest present value as of the date of the appraisal. The highest and best use must be physically possible, legally permissible, financially feasible, and maximally productive. The highest and best use of business personal property is normally its current use.

DATA COLLECTION/VALIDATION

Data Collection Procedures

Personal property data collection procedures are produced for all appraisers involved in the appraisal and valuation of personal property. Procedures are reviewed and revised to meet the changing requirements of field data collection. Business Personal Property appraisers annually appraise all businesses through various discovery means and resources as detailed below.

Business Personal Property Account

District appraisers collect new data via an annual route book field check. Various discovery publications such as business journals, Texas Department of Transportation commercially registered vehicle listing, sales tax permit listings, and local building permits are also used as sources of data. Newspapers, business publications, business owners, and District residents provide discovery information and other useful facts related to discovery and valuation.

Leased Assets at Multiple Location Accounts

The primary source of discovery for these accounts is owner filed renditions submitted in either hard copy or electronic format. On-site inspections and the renditions of lessees may be used to supplement this information.

Commercial and Business Aircraft

Valuation procedures for commercial and business aircraft include information developed from local airport managers, reference material found in the "Aircraft Blue Book", owner's renditions and, regarding aircraft allocation, the Bureau of Transportation Statistics website.

Special Inventory

Monthly and annual declaration forms for boat, heavy equipment, manufactured housing, and motor vehicle dealers (as defined by Section 23 of the Texas Property Tax Code) are used for discovery and valuation of special inventory accounts. Copies of annual declarations are maintained by CCAD. Alternate discovery methods may sometimes be used as described in the Business Personal Property Account section.

VALUATION AND STATISTICAL ANALYSIS (Model Calibration)

Cost Schedules

CCAD Business Personal Property appraisers utilize cost schedules according to Standard

Industrial Codes. Cost schedules are analyzed from property owner renditions, Settlement and Waiver of Protest documentation, Appraisal Review Board (ARB) hearing evidence, Texas Comptroller schedules, and published guides. Schedules are reviewed to reflect changing market conditions, if necessary. The schedules are typically in a price per square foot format. Some SIC codes are in an alternate price per unit format.

Statistical Analysis

Summary statistics such as median, weighted mean and standard deviation provide appraisers analytical tools by which to determine both the level and uniformity of appraised value by SIC code. Review of standard deviation can distinguish appraisal uniformity within SIC codes.

Depreciation Schedule and Trending Factors

The District's primary approach to the valuation of business personal property is the cost approach. The replacement cost new (RCN) is either developed from property owner reported historical cost or from CCAD developed valuation models. The trending factors used by CCAD to develop RCN are based on published valuation guides. The percent good depreciation factors used by CCAD are also based on published valuation guides. Index and percent good depreciation factors are used to develop present value factors (PVF), by year of acquisition, as follows:

$$\text{PVF} = \text{INDEX FACTOR} \times \text{PERCENT GOOD FACTOR}$$

The PVF is used as an "express" calculation in the cost approach. The PVF is applied to reported historical cost as follows:

$$\text{MARKET VALUE ESTIMATE} = \text{PVF} \times \text{HISTORICAL COST}$$

Computer Assisted Personal Property Appraisal

The objective of the valuation models utilized is to analyze and adjust existing SIC models or to develop new models as needed. Valuation models are refined using actual original cost data to derive the replacement cost new (RCN) per square foot for specific categories of assets. The RCN is depreciated by the estimated age using the depreciation table applicable each year.

The process of data sampling requires the SIC codes being prioritized and data being compiled for review. Individual accounts will be selected as a sample to be field checked. The sample will be checked with on-site inspections and reviewed for accuracy of SIC code, square footage, and original cost data. Models will be adjusted and tested against the prior year's data. These model values may be used to estimate the value of new

accounts for which no property owner's rendition is filed. They also establish parameters for testing the valuation of property for which prior years' data exist or for which current year rendered information is available.

Leased Assets at Multiple Location Accounts

Leased and multi-location assets are valued using the depreciation schedules mentioned above. If the asset to be valued in this category is a vehicle, then NADA published book values may be used.

Commercial and Business Aircraft

Aircraft valuation is accomplished by referencing the Aircraft Blue Book Price Guide (Winter Edition), Airpac Plane Base and the Vref Aircraft Value Reference. The Texas Property Tax Code has a specific methodology for the valuation and/or allocation of all aircraft.

Special Inventory

The Texas Property Tax Code provides a specific methodology for valuing this category of property. Valuation is based upon the annual declaration filed by the property owner indicating the previous year's Texas sales (used as the numerator) and divided by a factor of 12 (the denominator). This establishes a monthly basis consistent with the owner's tax payment requirements. In the absence of an annual declaration, similar businesses that have filed declarations are identified and compared, with appropriate adjustments, to the subject property to establish an estimated market value.

INDIVIDUAL VALUE REVIEW PROCEDURES

Business Personal Property Account

Annually, accounts in need of specific review are identified based on a variety of conditions. Property owner renditions, accounts with field or other data changes, accounts with prior ARB hearings activity, newly established business accounts, and SIC cost table changes are all considered. These accounts are identified and reappraised in the next appraisal cycle.

Leased Assets at Multiple Location Accounts

Leased asset accounts that have a high volume of vehicles or other assets are typically loaded programmatically if reported by the property owner electronically. Electronic renditions either emailed or on diskette, may require reformatting before they can be worked for value input. Accounts that render by hard copy are data entered manually. After proofing and data entry, reports are generated and reviewed by the assigned support staff. Once proofed, necessary corrections are made, appraiser approval is granted, and

the account is sent a Notice of Appraised Value which includes a breakdown of each leased asset by jurisdiction.

Commercial and Business Aircraft

The commercial and business aircraft accounts are simultaneously reviewed and valued with rendered data and third-party market value data.

Special Inventory

Special inventory accounts without a current declaration on file are contacted to advise them of their legal filing requirements and to provide CCAD with the most current valuation and review data available.

PERFORMANCE TESTS

Ratio Studies

Biennially the Property Tax Division of the State Comptroller's Office conducts a Property Value Study (PVS) to measure appraisal district valuation performance. Rather than a sales ratio study, the personal property PVS is a ratio study using state cost and depreciation schedules to develop comparative personal property values. These values are then compared to CCAD's personal property values and ratios are determined.

LIMITING CONDITIONS

The appraised value estimates provided by the District are subject to the following conditions:

1. The appraisals are prepared exclusively for ad valorem tax purposes.
2. The property characteristic data upon which the appraisals are based is assumed to be correct. Exterior inspections of property appraised are performed as staff resources and time allows. Some interior inspections of property appraised are performed at the request of the property owner or as requested by the District for clarification purposes and to correct property descriptions.
3. Validation of sales transactions is attempted through questionnaires to buyers, telephone survey and field review. In the absence of such confirmation, sales data obtained from vendors is considered reliable.
4. Appendix B has a list of staff providing significant assistance to the person signing this certification.

Certification Statement:

"I, Bo Daffin, Chief Appraiser for Collin Central Appraisal District, solemnly swear that I have made or caused to be made a reappraisal plan for Collin Central Appraisal District for the 2021-2022 tax years as required by law."



Bo Daffin, RPA, CCA, CTA
Chief Appraiser

Date Adopted: February 25, 2021

Resolution #: 2021-XX

Appendix A.

COLLIN CENTRAL APPRAISAL DISTRICT MASS APPRAISAL FLOWCHART

DEFINE THE PROBLEM
<ul style="list-style-type: none">- PREDEFINED BY LEGISLATURE, VIA TAX CODE- LOCATE AND LIST ALL TAXABLE PROPERTY- APPRAISE AT JANUARY 1ST MARKET VALUE- APPRAISALS MUST BE EQUAL AND UNIFORM- ADMINISTER EXEMPTIONS AND SPECIAL APPRAISALS



PLAN THE APPRAISAL PROJECT
<ul style="list-style-type: none">- TWO-YEAR APPRAISAL PLAN ADOPTION (EVEN NUMBER YEARS)- IDENTIFY & DEVELOP DATA SOURCES- IDENTIFY NEIGHBORHOODS AND/OR PROPERTIES FOR FIELD INSPECTION- COMPLETE STAFF ASSIGNMENTS AND CONDUCT PROJECT MEETINGS- MODEL DEVELOPMENT AND CALIBRATION- POST CERTIFICATION ANALYSIS FOR REVIEW OF CURRENT PROJECT AND TO PLAN NEXT YEAR'S APPRAISAL PROJECT



DATA COLLECTION		
<u>MARKET DATA</u>	<u>PROPERTY</u>	<u>COMPARATIVE</u>
REGION	CURRENT USE	BLDG. COST
CITY	SITE	SALES
NEIGHBORHOOD	ZONING	RENT & LEASE RATES
COMM MKT AREAS	IMPROVEMENTS	OPERATING EXPENSES
SUBDIVISION	LOCATION INFLUENCES	LIST PRICES
	SPECIAL USE	TRENDS



DATA ANALYSIS

- CONSIDERATION OF MOST APPROPRIATE APPRAISAL METHOD
- GENERAL MARKET ANALYSIS
- NEIGHBORHOOD ANALYSIS
- INDIVIDUAL PROPERTY ANALYSIS
 - * HIGHEST AND BEST USE
 - * SITE, INCLUDING LOCATIONAL FACTORS
 - * PHYSICAL CHARACTERISTICS
 - * QUALITY AND CONDITION
 - * FINANCIAL CHARACTERISTICS (INCOME ANALYSIS), AS APPROPRIATE



RECONCILIATION

COST APPROACH

MARSHALL SWIFT
AIA DOCUMENTS
SITE

DIRECT SALES APPROACH

COMPARABLE SALES
NBHD RATIO STUDIES
REO & FORECLOSURE TRENDS

INCOME APPROACH

DIRECT CAP
LEASE-UP MODEL
INCOME MULTIPLIER

SELECT APPROPRIATE METHOD(S) BASED ON PROPERTY TYPE OR CATEGORY



APPRAISED VALUE NOTIFICATION & PRESENTATION

- MAIL APPRAISAL NOTICES TO PROPERTY OWNERS (25.19 NOTICE)
- INFORMAL DISCUSSION OF APPRAISAL WITH PROPERTY OWNER
- PREPARE FORMAL EVIDENCE & MAKE EVIDENCE AVAILABLE TO OWNER
- PRESENT EVIDENCE & TESTIMONY AT ARB PROTEST HEARINGS



CERTIFIED ROLL ADMINISTRATION

- CERTIFY APPRAISAL ROLL TO TAXING UNIT'S ASSESSOR/COLLECTOR
- REVIEW POST CERTIFICATION MOTIONS AND PROTESTS WITH OWNERS
- PRESENT EVIDENCE & TESTIMONY AT SUPPLEMENTAL ARB HEARINGS
- PRESENT EVIDENCE & TESTIMONY AT ARBITRATION HEARINGS
- PRESENT EVIDENCE & TESTIMONY DURING LITIGATION
- PROVIDE CERTIFIED ROLL DATA TO PUBLIC, VIA WEBSITE & FILE TRANSFERS
- PROCESS EXEMPTION APPLICATIONS ALLOWABLE AFTER ROLL CERTIFICATION
- CONTINUE FILE MAINTENANCE FOR OWNERSHIP & ADDRESS CHANGES

Appendix B. 2021-2022 Calendar of Key Events¹

Aug 1-Sep 14, 2020	- All panels of ARB meet to hear 2020 protests
August 15, 2020	- Deadline for Electronic Property Transaction Submission to PTAD (twice a year: February and August)
August 20, 2020	- Ag rollback notice date
August 27, 2020	- Board of Director's regular meeting & public hearing on 2021-2022 Reappraisal Plan
September 1, 2020	- Alternate value study data for 2022 due to PTAD
September 14, 2020	-ARB approval of appraisal records
September 15, 2020	- Deadline for Board of Directors to approve CCAD's 2021-2022 Reappraisal Plan
September 15, 2020	- Deadline for Electronic Appraisal Roll Submission (EARS) to PTAD
September 15, 2020	- BPP appraisers conduct field checks of current year CO's and prior year rechecks
September 21, 2020	- Appraisal field cycle begins for next appraisal year
September 21-25, 2020	- Drive discovery for 2021 appraisal project
September 21-28, 2020	- Create next year property record layer and verification in CAMA system
September 24, 2020	- Board of Directors regular meeting
October 5, 2020	- Mail sold property questionnaires (weekly thereafter)

¹ The Chief Appraiser is authorized to administratively amend or alter the 2021-2022 Calendar of Key Events, shown in Appendix B, as deemed necessary. Calendar changes can be made periodically and will not be considered as alterations or amendments to the plan and do not require action by the Board of Directors.

October 5-14, 2020	- 2020 ARB hearings for properties remaining under review when the 2020 appraisal roll was certified
October 15, 2020	- BPP appraisers commence route book field checks
October 15, 2020	-ARB hearings – supplemental
October 22, 2020	- Board of Directors regular meeting
October 22, 2020	- Ag rollback notice date
November 3-4, 2020	- 2020 ARB hearings for properties remaining under review when the 2020 appraisal roll was certified
December 3, 2020	- ARB hearings – supplemental
December 7, 2020	- Begin commercial new construction inspections
December 17, 2020	- Board of Directors special meeting
December 21, 2020 -	- Residential appraisers mark plats/field review sheets for percent complete.
January 1, 2021	- Assessment date (“as of date” for 2021 appraisals)
January 1, 2021	- Produce documentation for 2021 PTAD MAP review
January 4, 2021	- Drive mobile home parks to establish occupancy
January 4, 2021	- BPP staff sends multi-tenant letters
January 4-8, 2021	- Deadline to complete Commercial Inspections
January 6, 2021	- 1 st mailing of homestead applications to new owners
January 11, 2021	- Mail agricultural re-file letters
January 15, 2021	-Residential appraisers conclude January 1 percent complete
January 18-22, 2021	- Commercial appraisers to complete all field rechecks and data entry

January 21, 2021	- ARB hearings – supplemental
January 25-29, 2021	- Begin capture of Costar individual property profiles and market area rent/occupancy reports
January 28, 2021	- Board of Directors regular meeting
January 28, 2021	- Mail Freeport and abatement applications
January 29, 2021	- Post capitalization rate for low income housing apartments on District's website (www.collincad.org)
January 29, 2021	- Deadline to complete residential field work
January 30-31, 2021	- Residential neighborhood profiling and analysis
February 1, 2021	- Mail BPP renditions with cover letter
February 1, 2021	- Receive PTAD PVS results
February 1, 2021	- Press release of: "Rendering Property", "Homestead Exemption", "Remedies" pamphlet, "Tax Deferral for Elderly" & "Tax Deferral on Appreciating Residence Homestead"
February 1, 2021	- Deadline for Electronic Property Transaction Submission to PTAD (twice a year: February and August)
February 1, 2021	- Initial review of Marshall & Swift cost tables & cost trends
February 5, 2021	- Commercial appraiser's final review/input of cost schedules from Marshall & Swift
Feb.8 -March 19, 2021	- Commercial appraisers complete analysis of commercial properties and final edits for appraisal notices
February 15, 2021	- 2 nd mailing of homestead applications to new owners
February 25, 2021	- 2 nd mailing of Ag refile letters

February 25, 2021	- Board of Directors regular meeting
March 1, 2021	- BPP appraisers complete all field rechecks
March 4, 2021	- ARB hearings - supplemental
March 15, 2021	- Deadline for 2022 PTAD PVS appeals
March 15-19, 2021	- Residential appraisers complete all field rechecks, sales studies, and appraisal modifiers; final updating of profiles & NBHD adjustments
March 18, 2021	- Ag rollback notice date
March 22-26, 2021	- Begin detailed review of various edits to prepare for system lock
March 25, 2021	- Board of Directors regular meeting
March 28, 2021	- All real estate changes in computer – system locked
April 1, 2021	- Quarter page ad: “Protest Procedures”
April 5-9, 2021	- Staff training (Residential)
April 15, 2021	- BPP rendition deadline and requests for BPP rendition extension
April 15, 2021	- Mail real estate Notices of Appraised Value
April 15, 2021	- Begin informal meetings with property owners and property tax agents regarding 2021, 25.19 Notices of Appraised Value
April 15, 2021	- Extended business hours until 7:00pm all Thursday’s during month of informal hearings
April 22, 2021	- Board of Directors 2022 Budget Workshop and Board of Directors meeting

April 30, 2021	- Deadline for all exemption and special appraisal applications including ag-use, Freeport, and pollution control
May 10, 2021	- First group of BPP data entry and edits completed
May 17, 2021	- Deadline for filing BPP renditions having timely extensions
May 17, 2021	- Mail first batch of BPP Notices of Appraised Value
May 17, 2021	- Deadline for timely filing protest for real estate, with notice date of April 15 th
May 24, 2021	- Chief Appraiser submits real estate appraisal records to ARB
May 24, 2021	- ARB hearings
May 24 - July 9, 2021	- All panels of ARB meet to hear 2021 protests
May 27, 2021	- Board of Directors 2022 Budget Workshop and Board of Directors regular meeting
May 28, 2021	- Remainder of BPP data entry and edits completed for last Mailing
June 1, 2021	- Quarter page ad: "Budget Hearing" (10 days before hearing)
June 4, 2021	- Mail last batch of BPP Notices of Appraised Value including rendition penalty notifications
June 8, 2021	- Mail ag refile letters with no previous response
June 11, 2021	- Provide taxing entities with a copy of the 2022 Proposed budget; place a copy at CCAD customer service counter for public inspection
June 15, 2021	- Late Freeport application deadline
June 16, 2021	- Deadline for timely filing protests for BPP, with notice date of May 17 th

June 24, 2021	- Public hearing on 2022 Proposed Budget and Board of Directors regular meeting
June 28, 2021	- Chief Appraiser submits BPP appraisal records to ARB
July 3, 2021	- Deadline for timely filing protests for BPP, with notice date of June 4th
July 9, 2021	- ARB approval of appraisal records
July 13-19, 2021	- Create next year property record layer and verification in CAMA system
July 25, 2021	- Chief Appraiser certifies appraisal rolls to taxing units
July 26, 2021	- Appraisal field cycle begins for next appraisal year
August 1, 2021	- Deadline for Electronic Property Transaction Submission to PTAD (twice a year: February and August)
August 2, 2021	- Mail sold property questionnaires (weekly thereafter)
August 16-20, 2021	- Drive discovery for 2022 appraisal project
August 19, 2021	- Ag rollback notice date
August 23, 2021	- BPP appraisers conduct field checks of non-rendered properties
August 23-27, 2021	- 2021 ARB hearings for properties remaining under review when the 2021 appraisal roll was certified
August 26, 2021	- Board of Directors regular combined July & August meeting
September 1, 2021	- Deadline for Electronic Appraisal Roll Submission (EARS) to PTAD
September 6, 2021	- Begin commercial new construction inspections
September 20, 2021	- BPP appraisers commence route book field checks

September 23, 2021	- Board of Directors regular meeting
October 11-20, 2021	- 2021 ARB hearings for properties remaining under review when the 2021 appraisal roll was certified
October 18, 2021	- Ag rollback notice date
October 21, 2021	- ARB hearings – supplemental
October 28, 2021	- Board of Directors regular meeting
November 10-11, 2021	- 2021 ARB hearings for properties remaining under review when the 2021 appraisal roll was certified
December 9, 2021	- ARB hearings – supplemental
December 16, 2021	- Board of Directors special meeting
December 19-30, 2021	- Residential appraisers mark plats/field review sheets for percent complete.
January 1, 2022	- Assessment date (“as of date” for 2022 appraisals)
January 3, 2022	- BPP staff sends multi-tenant letters
January 3-7, 2022	-Deadline to complete commercial inspections
January 5, 2022	- 1 st mailing of homestead applications to new owners
January 5, 2022	- Drive mobile home parks to establish occupancy
January 10, 2022	- Mail Ag re-file letters
January 14, 2022	- Residential conclude January 1 percent completes
January 15, 2022	- Begin capture of Costar individual property profiles and market area rent/occupancy reports
January 20, 2022	- ARB hearings – supplemental

January 27, 2022	- Board of Directors regular meeting
January 31, 2022	- Print and mail BPP renditions with cover letter
January 28, 2022	- Post capitalization rate for low income housing apartments on District's website (www.collincad.org)
January 28, 2022	- Deadline to complete residential field work
January 29-30, 2022	- Residential appraisers complete profiling properties
January 31, 2022	- Mail Freeport and abatement applications
February 1, 2022	- Deadline for Electronic Property Transaction Submission to PTAD (twice a year: February and August)
February 1, 2022	- Press release of: "Rendering Property", "Homestead Exemption", "Remedies" pamphlet, "Tax Deferral for Elderly" & "Tax Deferral on Appreciating Residence Homestead"
February 1, 2022	- Initial review of Marshall & Swift cost tables & cost trends
February 4, 2022	- Commercial appraiser's final review/input of cost schedules from Marshall & Swift
Feb 7- March 18, 2022	- Commercial appraisers complete analysis of commercial properties and final edits for appraisal notices
February 15, 2022	- 2 nd mailing of homestead applications to new owners
February 24, 2022	-2 nd mailing of Ag Refile letters
February 24, 2022	- Board of Directors regular meeting
March 2, 2022	- BPP appraisers complete all field rechecks
March 3, 2022	- ARB hearings – supplemental
March 14-18, 2022	- Residential appraisers complete all field rechecks, sales

	studies, and appraisal modifiers; final updating of profiles & NBHD adjustments
March 17, 2022	- Ag rollback notice date
March 21-25, 2022	- Begin detailed review of various edits to prepare for system Lock
March 24, 2022	- Board of Directors regular meeting
March 25, 2022	- All real estate changes in computer – system locked
April 1, 2022	- Quarter page ad: “Protest Procedures”
April 11-14, 2022	- Staff training (Residential)
April 15, 2022	- Mail real estate Notices of Appraised Value
April 15, 2022	- BPP rendition deadline and requests for BPP rendition Extension
April 15, 2022	- Begin informal meetings with property owners and property tax agents regarding 2022 25.19 Notices of Appraised Value
April 21, 2022	- Extended business hours until 7:00pm all Thursday’s during month of informal hearings
April 28, 2022	- Board of Directors 2023 Budget Workshop and Board of Directors regular meeting
May 2, 2022	- Deadline for all exemption and special appraisal applications including, ag-use, Freeport, and pollution control
May 9, 2022	- First group of BPP data entry and edits completed
May 15, 2022	- Deadline for timely filing protest for real estate, with notice date of April 15 th
May 16, 2022	- Mail first batch of BPP Notices of Appraised Value

May 16, 2022	- Deadline for filing BPP renditions having timely extensions
May 23, 2022	- Chief Appraiser submits real estate appraisal records to ARB
May 23-July 8, 2022	- All panels of ARB meet to hear 2022 protests
May 26, 2022	- Board of Directors 2023 Budget Workshop and Board of Directors regular meeting
May 27, 2022	- Remainder of BPP data entry and edits completed for last mailing
June 1, 2022	- Quarter page ad: "Budget Hearing" (10 days before hearing)
June 3, 2022	- Mail last batch of BPP Notices of Appraised Value including rendition penalty notifications
June 6, 2022	- Mail ag refile letters with no previous response
June 10, 2022	- Provide taxing entities with a copy of the 2023 Proposed Budget; place a copy at CCAD customer service counter for public inspection
June 15, 2022	- Deadline for timely filing protests for BPP, with notice date of May 16 th
June 15, 2022	- Late Freeport application deadline
June 23, 2022	- Public hearing on 2023 Proposed Budget and Board of Directors regular meeting
June 27, 2022	- Chief Appraiser submits BPP appraisal records to ARB
July 2, 2022	- Deadline for timely filing protest for BPP, with notice date of June 3 rd
July 8, 2022	- ARB approval of appraisal records
July 25, 2022	- Chief Appraiser certifies appraisal rolls to taxing units

August 1, 2022	- Deadline for Electronic Property Transaction Submission to PTAD (twice a year: February and August)
August 18, 2022	- Ag rollback notice date
August 22-26, 2022	- 2022 ARB hearings for properties remaining under review when the 2022 appraisal roll was certified
August 25, 2022	- Board of Directors regular combined July & August meeting
September 1, 2022	- Deadline for Electronic Appraisal Roll Submission (EARS) to PTAD
September 1, 2022	- Alternate value study data for 2022 due to PTAD

Appendix C. Key Personnel in Reappraisal Plan Implementation

Department	Employee	Position
Administration	Bo Daffin	Chief Appraiser/Executive Director
	Robert Waldrop	Deputy Chief Appraiser, Business Operations
	Kelly Lintner	Deputy Chief Appraiser, Appraisal Operations
	Stephanie Cave-Bernal	Deputy Chief Appraiser, ARB Agents & Research Services
	Ryan Matthews	Deputy Chief Appraiser, Technology
Appraisal - AE&L	Brian Swanson	Director of Abatement, Exemption & Litigation
Appraisal - BPP	Brad Richards	Director of BPP Appraisal
Appraisal - Commercial	Marty Wright	Director Commercial Appraisal
	Shawn Tilley	Commercial Appraisal Manager
Appraisal - Land	Dana Wilson	Director of Land Appraisal
Appraisal - Residential	Phil Greaux	Director of Residential Appraisal
	Eric Grusendorf	Residential Manager
	Kaleb Blount	Senior Appraiser, Residential
	Julie Covington	Senior Appraiser, Residential
	Terry Hamilton	Senior Appraiser, Residential
	Greg Ozaeta	Senior Appraiser, Residential
	James Randle	Senior Appraiser, Residential
Appraisal Research Services	Cody Sanderson	Senior Appraiser, Residential
	Wendy Gilliland	Director of Appraisal Research Services
Appraisal Support Services	Paula Benseid	Director of Support Services
	Cindy Smith	Support Services Mgr.
	Erin West	Assistant Support Services Mgr.
ARB, Agents & Research Services	Tina Castillo	Director of ARB, Agents & Research Services

Customer Service	Michele Lake Laura Garza	Director of Customer Service Customer Service Manager
GIS/Mapping/Records	Elliot Benseid Jamie Worth	Director of GIS/Mapping/Records GIS/Mapping Support Manager
IST	Jason Harris Shane Cheek	Systems Manager CAMA Software Manager

CONSENT AGENDA

D. MINUTES

January 28, 2021

MINUTES
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT
Thursday, January 28, 2021
REGULAR MEETING - Conducted Telephonically

MEETING LOCATION: Central Appraisal District Office
250 Eldorado Parkway
McKinney, Texas 75069

MEMBERS PRESENT: Ron Carlisle, Earnest Burke, Brian Mantzey, Ken Maun, Wayne Mayo and Gary Rodenbaugh

MEMBERS ABSENT:

APPROVAL OF MINUTES: _____
Chairman Secretary

NATURE OF BUSINESS

I. REGULAR MEETING

ITEM #	SUB #	ITEM DESCRIPTION
A.		Call to Order 7:03 a.m.
	1	Meeting was called to order by Chairman, Gary Rodenbaugh, and he announced the meeting had been posted in the time and manner required by law.
	2	The Chairman announced that a quorum was present.
	3	Election of 2021 Officers: Motion by Ken Maun to nominate and elect Gary Rodenbaugh as Chairmen of the Board and Wayne Mayo as Secretary to the Board for 2021. Seconded by Ron Carlisle. Motion carried.
B.		Executive Session No executive session was needed for this meeting.
C.		Action on items discussed in executive session
	1	NA
	2	NA
	3	NA

CONSENT AGENDA

Motion by Brian Mantzey to accept reports and approve action items contained in consent agenda. Seconded by Wayne Mayo. Motion carried.

MINUTES

BOARD OF DIRECTORS COLLIN CENTRAL APPRAISAL DISTRICT

- D.** Action taken: Board approved minutes from December 17, 2020 special meeting.
- E.** Action taken: Board reviewed the December 2020 bills.
- F.** Action taken: Board reviewed and accepted the December 2020 financial reports.
- G.** Action taken: Board authorized the issuance of the check listed and Chairman Gary Rodenbaugh signed checks.
 - 1 CK #51711 Trepp, LLC \$49,000.00
- H.** Action taken: Board reviewed and accepted the December 2020 report of checks and electronic transfers greater than \$25,000.

END OF CONSENT AGENDA

- I.** Chief Appraiser, Bo Daffin led a discussion with the Board regarding conflict of interest filing requirements for CCAD officers, pursuant to the Government Code and CCAD Policy #118. A motion was not needed for this discussion.
- J.** The Board received and accepted Mr. Daffin's chief appraiser's property owned report, per the requirements of CCAD Policy #118. No motion was needed for this report.
- K.** The Board advised and gave consent to Chief Appraiser, Bo Daffin, regarding the appointment of the following gentlemen to the District's Agricultural Appraisal Advisory Board: Butch Aycock, term January 1, 2021 – December 31, 2021; Scott Bourland, term January 1, 2021 – December 31, 2021; and Randall Brockman, January 1, 2021 – December 31, 2022. The motion was made by Wayne Mayo. Seconded by Ron Carlisle. Motion carried.
- L.** The Board received recommendation on changes to the District's Personnel Policies & Practices Handbook and voted to approve the changes. Ron Carlisle moved to approve the changes. Earnest Burke seconded the motion. Motion carried.

MINUTES

BOARD OF DIRECTORS COLLIN CENTRAL APPRAISAL DISTRICT

- M.** The Board received Mr. Daffin's recommendation and voted to authorize the chief appraiser to retrofit Appraisal Review Board hearing rooms, including Plexiglass barriers and technology upgrades. The motion included ability to use reserve or below the line funds. Ron Carlisle made the motion and it was seconded by Brian Mantzey. Motion carried.

N. Reports

- 1 Michele Lake, Taxpayer Liaison Officer, reported there have been no formal written complaints to be brought before the Board of Directors.
- 2 Ms. Lake presented the 2020 4th Quarter Texas Department of Licensing & Regulation (TDLR) Report stating no new complaints received. She updated the Board regarding the status of the complaint filed by Justin Jinright presented to the Board of Directors at the October 8, 2020 meeting. She informed the Board that at this time the case is open and under review. Letters will continue to be mailed quarterly until the case is resolved.
- 3 Deputy Chief of Business Operations, Robert Waldrop, presented the 2020 4th Quarter Investment Report.
- 4 The 2020 4th Quarter Collateral Report was presented by Mr. Waldrop.
- 5 Mr. Waldrop presented the Vendor Report.
- 6 Deputy Chief of ARB, Agent & Research Services, Stephanie Cave-Bernal, presented the Binding Arbitration report.
- 7 Brian Swanson, Abatements, Exemptions & Litigation Director, presented the 2020 4th Quarter Litigation report.
- 8 Mr. Daffin presented the Legal Expense Summary Report, YTD Totals as of 1/11/2021.

O. Chief Appraiser's Report

- 1 Mr. Daffin provided the Board with an update regarding the status of the office as we continue to move through the COVID-19 pandemic.
- 2 The Board received an update regarding Identity Theft Insurance providers.
- 3 Mr. Daffin extended appreciation to the Board for the funds, policies and procedures, and leadership to assist the operations of this organization and oversee staff. Mr. Daffin further extended his appreciation to the staff for everything they endured, both personally and in business fallout, due to COVID-19.

II.

AUDIENCE

- A.** There were no public comments.

MINUTES
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT

CCAD staff in attendance:

Bo Daffin
Kelly Lintner
Robert Waldrop
Tamera Glass
Toni Bryan
Valerie Hyden
Brad Richards
Dana Wilson
Elliot Bensend
Marty Wright
Michele Lake
Paula Bensend
Phil Greaux
Ryan Matthews
Stephanie Cave-Bernal
Tina Castillo
Eric Grusendorf
Wendy Gilliland
Cindy Smith
Brian Swanson
Jamie Worth
Troy Ingold

Public in attendance:

Ginger Mayo

- III.** The next regular meeting is to be held onsite and telephonically on February 25, 2021, at 7:00 a.m.
- IV.** Chairman, Gary Rodenbaugh, announced the Board had concluded its business and the meeting was adjourned. The meeting adjourned at 8:02 a.m.

E.
BILLS
PAID

January 2021

BILLS PAID

BILLS PAID

COLLIN CENTRAL APPRAISAL DISTRICT
Board of Directors Check Detail Report
January 2021

Num	Date	Name	Amount
Jan 21			
ACH	01/11/2021	NATIONWIDE RETIREMENT SOLUTIONS	-4,952.50
ACH	01/11/2021	TEXAS SDU CHILDSUPP	-908.70
ACH	01/08/2021	ADP INC	-3,717.62
ACH	01/15/2021	NATIONWIDE RETIREMENT SOLUTIONS	-5,047.50
ACH	01/15/2021	TCDRS	-190,998.17
ACH	01/15/2021	TEXAS SDU CHILDSUPP	-908.70
ACH	01/29/2021	TEXAS SDU CHILDSUPP	-908.70
ACH	01/29/2021	ADP INC	-2,650.77
7785	01/28/2021	ANDERSON, GARY L	-160.00
7786	01/28/2021	ARCELLANA, CRISTINA M	-200.00
7787	01/28/2021	AUGUSTINE, JUDITH S	-200.00
7788	01/28/2021	BRECKENRIDGE, AMANDA	-200.00
7789	01/28/2021	BROWN, BRUCE E	-130.00
7790	01/28/2021	CHOLLAR JR, GEORGE W	-200.00
7791	01/28/2021	DODSON, MICHAEL	-230.00
7792	01/28/2021	ENFINGER, MELINDA	-200.00
7793	01/28/2021	FALTYS, DIANNE	-370.00
7794	01/28/2021	FERRILL, LAWRENCE R	-200.00
7795	01/28/2021	GALLAGHER, PATRICK W	-160.00
7796	01/28/2021	GUCKES, FRANCIS	-200.00
7797	01/28/2021	HANSON, THOMAS D	-130.00
7798	01/28/2021	HARDIN, MARILYN C	-200.00
7799	01/28/2021	HAWKINS, YOLANDA	-200.00
7800	01/28/2021	JAYE, OLIN	-200.00
7801	01/28/2021	KLICKMAN, JOHN MICHAEL	-160.00
7802	01/28/2021	LOVELL, CRAIG E	-160.00
7803	01/28/2021	MAHER, KEVIN M	-200.00
7804	01/28/2021	MANTRY, NEELA R	-200.00
7805	01/28/2021	MARTIN, BARRY K	-200.00
7806	01/28/2021	MCGEE, BEVERLY J	-130.00
7807	01/28/2021	MOLINA, ESTELA	-160.00
7808	01/28/2021	MOSIER, RANDY	-200.00
7809	01/28/2021	PHILLIPS, KATHRYN H	-160.00
7810	01/28/2021	PRYOR, JACK R	-200.00
7811	01/28/2021	ROBINSON, PATRICIA	-810.00
7812	01/28/2021	ROGERS, FLOYD E	-200.00
7813	01/28/2021	SHARMA, SHARINI	-200.00
7814	01/28/2021	SMITH JR, FLOYD W	-200.00
7815	01/28/2021	SMITH, DELORES G	-1,080.00
7816	01/28/2021	SODERSTROM, DEAN C	-1,320.00
7817	01/28/2021	SWEGLES, DONALD	-130.00
7818	01/28/2021	TRAN, HUONG T	-200.00
7819	01/28/2021	TURANO, LOUIS R	-160.00
7820	01/28/2021	TURNER, KENT M	-160.00
7821	01/28/2021	TWIGG, STEPHEN G	-130.00
7822	01/28/2021	WARD, FORREST	-130.00
7823	01/28/2021	WELBORN, JANET HOLBART	-130.00
7824	01/28/2021	WHITT, NORMAN J	-200.00
7825	01/28/2021	WOLFSON, LEWIS H	-130.00
7826	01/28/2021	WYSASKI, JOHN	-130.00
7827	01/28/2021	ZINN, THOMAS G	-200.00
7828	01/28/2021	SMITH, DELORES G	-48.81
51643	01/04/2021	HARRIS GOVERN	-45,599.19
51644	01/04/2021	BLUECROSS BLUESHIELD (LIFE&STLT)	-9,371.99
51645	01/04/2021	BLUECROSS BLUESHIELD OF TEXAS	-95,586.93
51646	01/04/2021	BLUECROSS BLUESHIELD OF TEXAS	-2,233.55

COLLIN CENTRAL APPRAISAL DISTRICT
Board of Directors Check Detail Report
January 2021

Num	Date	Name	Amount
51647	01/04/2021	DSS	-92.40
51648	01/04/2021	FIRST STOP HEALTH	-1,074.20
51649	01/04/2021	SUPERIOR VISION OF TEXAS	-1,462.70
51650	01/04/2021	UNUM LIFE INSURANCE CO OF AMERICA	-1,316.40
51651	01/04/2021	VANGUARD CLEANING SERVICES	-1,000.00
51652	01/04/2021	WELLSPRING INSURANCE AGENCY, INC	-3,650.00
51653	01/04/2021	MC PURE CLEANING, LLC	-8,200.00
51680	01/11/2021	BLAYLOCK, GEAN KENT	-360.00
51681	01/11/2021	BORTON, BRIAN K	-360.00
51682	01/11/2021	HENRY, JAMES	-360.00
51683	01/11/2021	KILHEFNER, CALEB M	-380.00
51684	01/11/2021	NOEL, NICHOLAS B	-370.00
51685	01/11/2021	AFFILIATED COM-NET, INC.	-1,069.92
51686	01/11/2021	COPYNET	-3,212.55
51687	01/11/2021	DSS FIRE INC	-90.00
51688	01/11/2021	HAYNES LANDSCAPE & MAINTENANCE, INC	-1,224.89
51689	01/11/2021	MALIN GROUP, THE	-3,000.00
51690	01/11/2021	PLANO PEST CONTROL	-150.00
51691	01/11/2021	TEXAS ARCHIVES	-90.76
51692	01/11/2021	TRUE PRODIGY TECH SOLUTIONS LLC	-1,025.00
51693	01/11/2021	WASTE CONNECTIONS OF TEXAS	-212.83
51694	01/12/2021	VOID	0.00
51695	01/12/2021	VOID	0.00
51696	01/12/2021	VOID	0.00
51697	01/14/2021	HAND, MICHAEL L	-1,018.60
51698	01/14/2021	HOLDER, ANGELA R	-531.34
51699	01/14/2021	PROPERTY TAX EDUCATION COALITION, INC	-210.00
51700	01/14/2021	TDLR	-45.00
51701	01/19/2021	BORTON, BRIAN K	-380.00
51702	01/19/2021	HENRY, JAMES	-360.00
51703	01/19/2021	KILHEFNER, CALEB M	-360.00
51704	01/19/2021	THIGPEN, LESLIE MICHAEL	-360.00
51705	01/19/2021	ZEGADLO, MARC	-360.00
51706	01/19/2021	ADVANCED TREE & SHRUB CARE	-499.00
51707	01/19/2021	AT&T MOBILITY	-1,510.01
51708	01/19/2021	COPYNET	-411.00
51709	01/19/2021	HAYNES LANDSCAPE & MAINTENANCE, INC	-254.00
51710	01/19/2021	IREM	-225.00
51711	01/19/2021	TREPP, LLC	0.00
51712	01/21/2021	COLORIT GRAPHICS SERVICES	-25.00
51713	01/21/2021	COSTAR REALTY INFORMATION INC	-4,984.00
51714	01/21/2021	FIRST STOP HEALTH	-1,074.20
51715	01/21/2021	KERBY & KERBY PLLC	-250.00
51716	01/21/2021	MICHAEL'S KEYS, INC.	-109.50
51717	01/21/2021	PAPERTONE ENTERPRISES LLC	-198.47
51718	01/21/2021	SUPERIOR VISION OF TEXAS	-1,596.74
51719	01/21/2021	TDLR	-45.00
51720	01/21/2021	TDLR	-45.00
51721	01/21/2021	TREPP, LLC	-49,000.00
51722	01/21/2021	UNUM LIFE INSURANCE CO OF AMERICA	-1,405.70
51723	01/21/2021	VARIVERGE LLC	-1,858.92
51724	01/25/2021	BLAYLOCK, GEAN KENT	-360.00
51725	01/25/2021	GILLESPIE, DANIEL	-360.00
51726	01/25/2021	NOEL, NICHOLAS B	-370.00
51727	01/25/2021	POLK, MATTHEW	-360.00
51728	01/25/2021	INSURICA EXPRESS	-50.00
51729	01/25/2021	INSURICA EXPRESS	-50.00

COLLIN CENTRAL APPRAISAL DISTRICT
Board of Directors Check Detail Report
January 2021

Num	Date	Name	Amount
51730	01/25/2021	TEXAS SECRETARY OF STATE	-21.00
51731	01/25/2021	TEXAS SECRETARY OF STATE	-21.00
51732	01/25/2021	CITY OF MCKINNEY	-558.74
51733	01/25/2021	IAAO	-1,005.00
51734	01/25/2021	IN BLOOM	-247.00
51735	01/25/2021	SHI GOVERNMENT SOLUTIONS	-3,289.35
51736	01/25/2021	TEXAS DEPARTMENT OF PUBLIC SAFETY	-1.00
51737	01/25/2021	VARIVERGE LLC	-987.12
51738	01/25/2021	WELLSPRING INSURANCE AGENCY, INC	-1,500.00
51739	01/28/2021	AFLAC	-4,949.43
51740	01/28/2021	BLUECROSS BLUESHIELD OF TEXAS	-95,586.93
51741	01/28/2021	BLUECROSS BLUESHIELD OF TEXAS	-2,233.55
51742	01/28/2021	BRYAN, TONI	-250.00
51743	01/28/2021	COPYNET	-389.00
51744	01/28/2021	GREEN MOUNTAIN ENERGY	-5,092.96
51745	01/28/2021	MALIN GROUP, THE	-3,345.00
51746	01/28/2021	PROSTAR SERVICES, INC	-362.70
51747	01/28/2021	STAPLES BUSINESS CREDIT	-636.14
51748	01/28/2021	TIME WARNER CABLE	-2,059.76
51749	01/28/2021	WEST, SUBVET D	-450.00
51750	01/31/2021	AT&T (FIBER)	-3,453.00
51751	01/31/2021	AT&T (MAIN LOCAL)	-1,866.15
51752	01/31/2021	AT&T (MAIN LOCAL)	-195.43
51753	01/31/2021	AT&T (U-VERSE)	-180.35
51754	01/31/2021	CARD SERVICE CENTER	-4,080.68
51755	01/31/2021	COLORIT GRAPHICS SERVICES	-665.00
51756	01/31/2021	TEXAS COMPTROLLER OF PUBLIC ACCOUNTS	-4,100.00
Jan 21			-608,287.55

F.

**FINANCIAL
REPORTS**

January 2021

Kerby & Kerby PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Frank Kerby, CPA
John W. Kerby, CPA

ACCOUNTANTS' COMPILATION REPORT

BOARD OF DIRECTORS
CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY
250 ELDORADO PKWY
MCKINNEY, TX 75069-8023

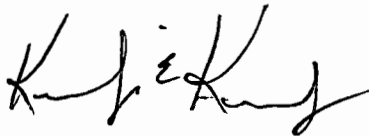
Management is responsible for the accompanying financial statements of the business-type activities of CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY (a political subdivision of the State of Texas), which comprise the statement of net position as of January 31, 2021, and the related statement of revenue, expenses, and changes in fund net position and supplemental schedule for the year then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, fund balance, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary budget information is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The supplementary budget information was not subject to our compilation engagement; therefore, we have not audited or reviewed the supplementary budget information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary budget information.

The Central Appraisal District is exempt from taxes as a political subdivision of the State of Texas and, accordingly, these financial statements do not reflect a provision or liability for income taxes.

We are not independent with respect to the Central Appraisal District of Collin County.



Kerby & Kerby PLLC
McKinney, TX 75070
February 9, 2021

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY

Statement Of Assets, Liabilities And Fund Balance - Cash Basis

January 31, 2021

ASSETS

CURRENT ASSETS

Prosperity (formerly LTB) -Oper	\$	14,739.89
American National Bank -Oper		14,781,812.07
American National Bank -ARB		1,761.70
Petty Cash - Admin		100.00
Petty Cash - Mapping		50.00
Certificates of Deposit		500,000.00
Prepaid Expenses		<u>199,334.78</u>

TOTAL CURRENT ASSETS **\$ 15,497,798.44**

PROPERTY AND EQUIPMENT

Furniture and Equipment-Assets	629,608.79
Telephone Equipment-Assets	215,174.23
Computer Equipment-Assets	895,816.01
Computer Software-Assets	651,788.39
Building-Assets	7,360,318.28
Land-Assets	<u>1,387,232.00</u>

Total Property And Equipment **11,139,937.70**
Less Accumulated Depreciation **(4,126,967.31)**

NET PROPERTY AND EQUIPMENT **7,012,970.39**

OTHER ASSETS

Deferred Resource Outflows	<u>4,463,896.00</u>
----------------------------	---------------------

TOTAL OTHER ASSETS **4,463,896.00**

TOTAL ASSETS **\$ 26,974,664.83**

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY
Statement Of Assets, Liabilities And Fund Balance - Cash Basis
January 31, 2021

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

All Current Liabilities \$ 980,838.35

TOTAL CURRENT LIABILITIES \$ **980,838.35**

LONG-TERM LIABILITIES

Net Pension Liability 840,472.00

Deferred Resources Inflows 111,550.00

TOTAL LONG-TERM LIABILITIES **952,022.00**

TOTAL LIABILITIES **1,932,860.35**

FUND BALANCE

Fund Balance(CashBasisRelated) 2,245,644.15

Fund Balance-Designated 10,703,572.00

Fund Balance-Undesignated 3,312,741.20

Fund Bal-Cap Assets Less Debt 4,379,480.00

Year To Date Increase or Decrease 4,400,367.13

TOTAL DESIGNATED / UNDESIGNATED FUND BALANCE **25,041,804.48**

TOTAL LIABILITIES AND FUND BALANCE \$ **26,974,664.83**

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY
Statement Of Revenue, Expenses And Change In Fund Balance - Cash Basis
1 Month and Year to date ended January 31, 2021

	2021 Budget	1 month ended Jan 31, 2021	Year to date ended Jan 31, 2021	% of Budget	Remaining Budget
REVENUE					
Entity Support Revenue	\$ 21,759,400.00	\$ 5,556,699.50	\$ 5,556,699.50	25.54 %	16,202,700.50
Interest-Bank Accts/Investments	0.00	9,879.14	9,879.14		(9,879.14)
BPP Rendition Penalty Revenue	0.00	16,092.80	16,092.80		(16,092.80)
Misc Revenue	0.00	608.60	608.60		(608.60)
TOTAL REVENUE	21,759,400.00	5,583,280.04	5,583,280.04	25.66 %	16,176,119.96
OPERATING EXPENSES					
Salaries Full Time	10,742,400.00	662,677.18	662,677.18	6.17 %	10,079,722.82
Salaries Part Time/Temp	167,600.00	0.00	0.00	0.00 %	167,600.00
Overtime	52,000.00	12,082.54	12,082.54	23.24 %	39,917.46
Auto Allowance	768,000.00	57,352.32	57,352.32	7.47 %	710,647.68
Worker's Compensation	40,000.00	3,160.00	3,160.00	7.90 %	36,840.00
Employee Group Insurance	2,515,000.00	137,573.35	137,573.35	5.47 %	2,377,426.65
FICA Tax	159,000.00	10,516.12	10,516.12	6.61 %	148,483.88
Employee Retirement	1,425,100.00	87,721.92	87,721.92	6.16 %	1,337,378.08
Retirement-UAAL Buy Down	400,000.00	0.00	0.00	0.00 %	400,000.00
Unemployment Compensation	18,000.00	0.00	0.00	0.00 %	18,000.00
Legal	1,800,000.00	3,204.25	3,204.25	0.18 %	1,796,795.75
Accounting & Audit	16,000.00	250.00	250.00	1.56 %	15,750.00
Insurance	45,000.00	3,930.00	3,930.00	8.73 %	41,070.00
Legal Notices & Advertising	37,000.00	0.00	0.00	0.00 %	37,000.00
Appraisal Review Board	650,000.00	14,830.25	14,830.25	2.28 %	635,169.75
Telephone, Internet, Data Cloud	350,000.00	12,451.20	12,451.20	3.56 %	337,548.80
Utilities	160,900.00	6,044.88	6,044.88	3.76 %	154,855.12
Equipment Rent	95,000.00	1,960.47	1,960.47	2.06 %	93,039.53
Equipment Maintenance	45,000.00	1,252.08	1,252.08	2.78 %	43,747.92
Postage	450,000.00	1,903.03	1,903.03	0.42 %	448,096.97
Aerial Photography	430,000.00	0.00	0.00	0.00 %	430,000.00
Supplies	425,000.00	10,464.08	10,464.08	2.46 %	414,535.92
Registration & Dues	45,000.00	495.00	495.00	1.10 %	44,505.00
Travel & Education	175,000.00	3,952.10	3,952.10	2.26 %	171,047.90
Board of Directors Meetings	7,000.00	0.00	0.00	0.00 %	7,000.00
Miscellaneous Expenses	500.00	0.00	0.00	0.00 %	500.00
Contract Services	90,000.00	49,668.52	49,668.52	55.19 %	40,331.48
Professional Services	170,000.00	6,368.39	6,368.39	3.75 %	163,631.61
Security	165,000.00	5,100.00	5,100.00	3.09 %	159,900.00
Building Maintenance	125,000.00	11,073.89	11,073.89	8.86 %	113,926.11
Building Repair/Modifications	170,000.00	363.50	363.50	0.21 %	169,636.50
Depreciation	0.00	21,680.59	21,680.59		(21,680.59)
Furniture & Equipment	65,000.00	0.00	0.00	0.00 %	65,000.00
Computer Hardware & Computer Eq	250,000.00	0.00	0.00	0.00 %	250,000.00
Computer Software Licenses & Subscrip	600,000.00	7,163.06	7,163.06	1.19 %	592,836.94
Computer Hardware Maintenance	42,000.00	0.00	0.00	0.00 %	42,000.00
Software Development	300,000.00	0.00	0.00	0.00 %	300,000.00
Computer Software Maintenance	325,000.00	49,674.19	49,674.19	15.28 %	275,325.81
Contingency	200,000.00	0.00	0.00	0.00 %	200,000.00
TOTAL OPERATING EXPENSES	23,520,500.00	1,182,912.91	1,182,912.91	5.03 %	22,337,587.09
EXCESS(DEFICIT) INCOME & E	\$ (1,761,100.00)	\$ 4,400,367.13	4,400,367.13	(249.86)%	(6,161,467.13)
BEGINNING FUND BALANCE			17,949,372.98		
ENDING FUND BALANCE			\$ 22,349,740.11		

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY

Supplemental Schedules

January 31, 2021

ACCUMULATED DEPRECIATION

Accum Depr-Furniture & Equip	\$	(550,475.13)
Accum Depr-Telephone Equipment		(187,715.32)
Accum Depr-Computer Equipment		(749,925.37)
Accum Depr-Computer Software		(584,384.39)
Accum Depr-Building		<u>(2,054,467.10)</u>

TOTAL ACCUMULATED DEPRECIATION **\$ (4,126,967.31)**

OTHER CURRENT LIABILITIES

Accounts Payable	\$	5,156.40
Credit Card-LegacyTexas		3,436.36
Credit Card-Sam's Wholesale		114.12
Employee Savings		7,402.33
Accrued Wages Payable		416,532.31
Group Insurance Payable		1,676.44
Dental Ins Payable		(500.40)
Health Ins Payable		(2,233.55)
Life Ins Payable		302.42
Long Term Care Ins Payable		51.00
Vision Ins Payable		(19.29)
Other Voluntary Ins Payable		(8.01)
Retirement Payable		134,956.80
Compensated Absences Payable		317,177.08
Accrued Interest Expense		<u>96,794.34</u>

TOTAL OTHER CURRENT LIABILITIES **\$ 980,838.35**

G.

FUNDED ITEMS

BOARD OFFICER'S SIGNATURE REQUIRED



Collin Central Appraisal District

Date: 2/18/21

To: Board of Directors

From: Bo Daffin, Chief Appraiser *Bo Daffin*

Subject: Budgeted expenditures requiring signature of Board Officer

ITEM	DESCRIPTION	\$ AMOUNT
------	-------------	-----------

As of this date there are no budgeted expenditures that require the signature of a Board Officer.

H.
LARGE EXPENDITURES
(GREATER THAN \$25,000)

***APPROVED BY CHIEF APPRAISER, AS
AUTHORIZED BY BOARD POLICY***

January 2021



Collin Central Appraisal District

Date: 2/18/21

To: Board of Directors

From: Bo Daffin, Chief Appraiser *Bo Daffin*

Subject: Budgeted expenditures over \$25,000 approved by Chief Appraiser
For: January 2021

ITEM	DATE	DESCRIPTION	\$ AMOUNT
ACH	1/14/21	ADP (payroll and taxes)	\$368,090.96
ACH	1/15/21	TCDRS	\$190,998.17
ACH	1/28/21	ADP (payroll and taxes)	\$337,598.14
Ck #51639	1/12/21	Saunders & Walsh	\$82,146.54
Ck #51643	1/11/21	Harris Govern	\$45,599.00
Ck #51645	1/14/21	Blue Cross & Blue Shield	\$95,586.93

I.

**2021 - 2022 Adoption of
Amended Reappraisal Plan**



Collin Central Appraisal District

BOARD OF DIRECTORS

Gary Rodenbaugh, Chairman
L. Wayne Mayo, Secretary
Earnest R. Burke
Ron Carlisle
Brian Mantzey
Kenneth Maun

CHIEF APPRAISER

Bo Daffin

BOARD OF DIRECTORS RESOLUTION # 2021-61

The Collin Central Appraisal District Board of Directors met in open session on _____, 2021. The Board, with a quorum present, by a vote of _____ (for) and _____ (against) adopted the following resolution:

Be it resolved that the Collin Central Appraisal District Board of Directors, having conducted a Public Hearing on the District's Amended 2021-2022 Reappraisal Plan, hereby approves, and adopts the District's 2021-2022 Amended Reappraisal Plan, in accordance with the Texas Property Tax Code, Section 6.05(i) and the Board of Directors Policy #112.

In witness whereof, I have hereunto set my hand as an Officer of Collin Central Appraisal District Board of Directors, this _____ day of _____, 2021.

L. Wayne Mayo, Secretary
(and/or)

Gary Rodenbaugh, Chairman

J.

Emergency Status

COVID-19



Flag Status: Full-Staff



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Governor Abbott Extends COVID-19 Disaster Declaration - February 2021

February 4, 2021 | Austin, Texas | [Proclamation](#)

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, I, Greg Abbott, Governor of Texas, issued a disaster proclamation on March 13, 2020, certifying under Section 418.014 of the Texas Government Code that the novel coronavirus (COVID-19) poses an imminent threat of disaster for all counties in the State of Texas; and

WHEREAS, in each subsequent month effective through today, I have issued proclamations renewing the disaster declaration for all Texas counties; and

WHEREAS, the Commissioner of the Texas Department of State Health Services, Dr. John Hellerstedt, has determined that COVID-19 represents a public health disaster within the meaning of Chapter 81 of the Texas Health and Safety Code; and

WHEREAS, I have issued executive orders and suspensions of Texas laws in response to COVID-19, aimed at protecting the health and safety of Texans and ensuring an effective response to this disaster; and

WHEREAS, a state of disaster continues to exist in all counties due to COVID-19;

NOW, THEREFORE, in accordance with the authority vested in me by Section 418.014 of the Texas Government Code, I do hereby renew the disaster proclamation for all counties in Texas.

Pursuant to Section 418.017, I authorize the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster.

Pursuant to Section 418.016, any regulatory statute prescribing the procedures for conduct of state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster shall be suspended upon written approval of the Office of the Governor. However, to the extent that the enforcement of any state statute or administrative rule regarding contracting or procurement would impede any state agency’s emergency response that is necessary to cope with this declared disaster, I hereby suspend such statutes and rules for the duration of this declared disaster for that limited purpose.

In accordance with the statutory requirements, copies of this proclamation shall be filed with the applicable authorities.

IN TESTIMONY WHEREOF, I have hereunto signed my name and have officially caused the Seal of State to be affixed at my office in the City of Austin, Texas, this the 4th day of February, 2021.

GREG ABBOTT
Governor

ATTESTED BY:

RUTH R. HUGHS
Secretary of State

P.O. Box 12428
Austin Texas 78711
(512) 463-2000

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Collin Central Appraisal District

BOARD OF DIRECTORS

Gary Rodenbaugh, Chairman
L. Wayne Mayo, Secretary
Earnest R. Burke
Ron Carlisle
Brian Mantzey
Kenneth Maun

CHIEF APPRAISER

Bo Daffin

BOARD OF DIRECTORS RESOLUTION # 2021-1096

The Collin Central Appraisal District Board of Directors met in open session on February 25, 2021. The Board, with a quorum present, by a vote of _____ (for) and _____ (against) adopted the following resolution:

Be it resolved that the Collin Central Appraisal District Board of Directors hereby declares a continuing state of emergency because of severe health safety concerns for District's staff, Appraisal Review Members, property owners and their representatives, the public, and the Board itself, caused by the Covid-19 virus. Emergency status operations will continue until July 26, 2021, the statutory date for certifying the 2021 Appraisal Roll; or until the Covid-19 virus and consequences of the virus no longer prohibit a safe return to normal operations, which includes direct interaction with the public and in-person testimony before the Appraisal Review Board, whichever is later.

In witness whereof, I have hereunto set my hand as an Officer of Collin Central Appraisal District Board of Directors, this _____ day of _____, 2021.

L. Wayne Mayo, Secretary
(and/or)

Gary Rodenbaugh, Chairman

K.

**Dispense With 2021 In-Person
Informal Protest Meetings**



Collin Central Appraisal District

BOARD OF DIRECTORS

Gary Rodenbaugh, Chairman
L. Wayne Mayo, Secretary
Earnest R. Burke
Ron Carlisle
Brian Mantzey
Kenneth Maun

CHIEF APPRAISER

Bo Daffin

BOARD OF DIRECTORS RESOLUTION # 2021-1094

The Collin Central Appraisal District Board of Directors met in open session on February 25, 2021. The Board, with a quorum present, by a vote of _____ (for) and _____ (against) adopted the following resolution:

Be it resolved that the Collin Central Appraisal District Board of Directors, due to health concerns from the Covid-19 virus, hereby authorizes the chief appraiser to dispense with all in-person 2021 informal protest meetings, in favor of eFile online protest communications, or telephonic responses and/or electronic responses, to protests filed outside the District's eFile online protest system.

In witness whereof, I have hereunto set my hand as an Officer of Collin Central Appraisal District Board of Directors, this _____ day of _____, 2021.

(and/or) _____
L. Wayne Mayo, Secretary

Gary Rodenbaugh, Chairman

L.

**Support Emergency
Operations Declaration
Adopted By The ARB**



Collin Central Appraisal District

BOARD OF DIRECTORS

Gary Rodenbaugh, Chairman
L. Wayne Mayo, Secretary
Earnest R. Burke
Ron Carlisle
Brian Mantzey
Kenneth Maun

CHIEF APPRAISER

Bo Daffin

BOARD OF DIRECTORS RESOLUTION # 2021-1095

The Collin Central Appraisal District Board of Directors met in open session on February 25, 2021. The Board, with a quorum present, by a vote of _____ (for) and _____ (against) adopted the following resolution:

Be it resolved that the Collin Central Appraisal District Board of Directors, due to continuing health concerns from the Covid-19 virus, hereby adopts this Resolution in concern for the Appraisal Review Board and in support of an Appraisal Review Board policy, resolution or rule requiring that all 2021 protest hearings be conducted in accordance with the Texas Property Tax Code, Section 41.45(b). Therefore, requiring all hearings be by affidavit or sworn declaration (written filing), with both evidence and arguments contained in the written filing; or by written filing, where the evidence is contained in the written filing and arguments are presented during a telephonic protest hearing.

In witness whereof, I have hereunto set my hand as an Officer of Collin Central Appraisal District Board of Directors, this _____ day of _____, 2021.

L. Wayne Mayo, Secretary

(and/or)

Gary Rodenbaugh, Chairman

M.

Telephonic

Board of Director Meetings



Collin Central Appraisal District

February 15, 2021

TO: Board of Directors

FROM: Bo Daffin, Chief Appraiser *Bo Daffin*

RE: 2021 Telephonic and/or Hybrid Board Meetings

It is my recommendation that the Board conduct 2021 board meetings and budget workshops telephonically, or via Microsoft Teams, with all board members remote.

It is my recommendation that the Board utilize a hybrid approach when conducting public hearings. The chairman, chief appraiser and CCAD management staff will be in the Dr. Leo Fitzgerald board room, with access by the public, while all other board members remain remote.

- During a public hearing, all parties must observe appropriate distancing and wear a face mask, unless they are addressing the board regarding the subject matter of the public hearing.

It is my recommendation that the Board continue this process until Governor Abbott ceases renewal of his Covid-19 disaster proclamation originally issued on March 13, 2020. The latest renewal, dated February 4, 2021, is attached for reference.

O.

ARB Expense Allowance

Policy #1008



Collin Central Appraisal District

February 9, 2021

TO: Board of Directors

FROM: Bo Daffin, Chief Appraiser *Bo Daffin*

RE: Establishing ARB Meal Allowances

It is my recommendation, based on the requirements in Policy #1008, regarding the meal allowances for ARB functions and travel, that the board of directors establish the following schedule for 2021, effective immediately.

SPENDING ARB FUNDS (page 4 of Policy)

ITEM	CURRENT AMOUNT	RECOMMENDED AMOUNT
2(a)(1) Two catered events	\$22.50	\$20.50
2(c)(1) Meals while attending training	\$17.00	\$15.00

The calculations are based on the latest information from U.S. General Services Administration (GSA). The \$20.50 for item 2(a)(1) is based on a weighted average of lunch and dinner, with 2/3 weight given to the dinner allowance, since these are catered events. The \$15.00 for meals while traveling to training is based on the lunch allowance pulled directly from the GSA schedule.

Additionally, it is my recommendation that the catered events, outlined in section 2(a)(1), be canceled for calendar year 2021, due to COVID-19 concerns. If later in 2021, the ARB cancels its emergency operational status and the board of directors approves reinstatement of a single catered event for the ARB, the ARB could host the post-approval of the Appraisal Records event outlined in 2(a)(1).

Attachments: Policy #1008
GSA schedule for Plano, TX



Collin Central Appraisal District

POLICY NUMBER: 1008

**POLICY NAME: APPRAISAL REVIEW BOARD SEPARATION,
INDEPENDENT PROFESSIONAL SERVICES,
SPENDING ARB FUNDS & DISTRICT ASSISTANCE**

SEPARATION

The Texas Property Tax Code (TPTC), Subchapter C. Appraisal Review Board, §§ 6.41 to 6.43 establishes the separation of the ARB from the chief appraiser, Appraisal District, property owners and property tax agents. The allowable interactions, regarding administrative, clerical and logistical assistance will be discussed below.

To ensure the appropriate, ongoing, separation of the ARB, the Board of Directors adopts the following instructions, in addition to the requirements of §§ 6.41 to 6.43 named above.

1. The District will provide a private office for the chairman of the ARB.
2. The District will provide a conference room to be utilized by the ARB.
3. The District will provide a board room for assembly of a quorum of the ARB.
4. The District will provide ARB hearing panels, subject to the District's budget and space planning decisions.
5. The District will provide a room, separate from the District's break rooms, for ARB members to use for lunch or other breaks. The ARB will have access to the District's soft drink and coffee service at no charge to its members.
6. The District will provide a training room.
7. The District will establish a separate bank account for the ARB. This account will be for the sole purpose of paying for the ARB's ongoing operational expenses. The account will be subject to oversight by the District and the independent accounting firm that generates the District's monthly financial reports. Additionally, the account will be a part of the annual independent audit commissioned by the Board of Directors.
 - a. Account name: Collin Appraisal Review Board
 - b. Mailing Address: c/o Business Manager, Collin Central Appraisal District,
250 Eldorado Pkwy., McKinney, TX 75069.

- c. Funds will be transferred from the District's current operating budget to the ARB's bank account for issuance of payment of ARB operation costs. Specifically, for the payment of ARB members for service, payment of ARB auxiliary members for service, payment of independent legal counsel and payment of ARB liaison to be discussed below.
- d. The process of making payments from the ARB bank account must include review and approval by a member of the District's administrative staff, as designated by the chief appraiser.
- e. The transfer of funds into the ARB's account can be completed with the approval of any two of the following: the business manager, a deputy chief appraiser, chief appraiser or board of directors' officer.
- f. All checks from the ARB account must have two signatures. One signature must be the Chairman of the ARB. The second signature must be by the District's business manager, a deputy chief appraiser or officer of the board of directors.
- g. All ARB members, auxiliary ARB members, ARB liaison and ARB legal counsel are considered contract labor and are not employees of the ARB or Appraisal District. All earnings will be reported to the members, legal counsel and liaison via a Form 1099.
- h. All payments to the ARB members, ARB auxiliary members and ARB liaison will be made to the individual only. Payment to the ARB's legal counsel will be made to the attorney or law firm, as deemed appropriate.
- i. The ARB is prohibited from hiring or otherwise employing full time or part time employees.

INDEPENDENT PROFESSIONAL SERVICES

- 1. The District, subject to adoption of its budget by the board of directors and approval of the budget by its member taxing units, will provide funds for the ARB's legal counsel. The TPTC, Section 6.43(e), provides for the ARB to engage independent legal counsel, subject to the District's budget.
- 2. The chief appraiser will recommend the amount to be dedicated to the cost of the ARB's legal counsel and the board of directors must approve the allocation of funds from the budget.
- 3. The District, subject to adoption of its budget by the board of directors and approval of the budget by its member taxing units and subject to annual review of the need for an ARB liaison, will provide funds for an ARB Liaison.
 - a. The ARB liaison cannot be a voting member of the ARB.
 - b. The ARB liaison cannot be employed by an appraisal district or taxing unit.
 - c. The ARB liaison will not interact with the taxpayers or their representatives.
 - d. The ARB liaison will not communicate with the Administrative Law Judge.

- e. The ARB liaison will only interact with the District for administrative, scheduling or logistical tasks.
- f. The ARB liaison and District staff will be bound by the ex parte communication prohibitions found in the TPTC § 6.411.

g. ARB Liaison tasks will include:

- 1. Working with the ARB chairman and District on facility needs.
 - 2. Working with the ARB chairman and District on ARB hearing schedules for public posting.
 - 3. Working with the ARB chairman regarding member assignments to hearing panels.
 - 4. Working with the ARB chairman regarding members that will act as chairman for each hearing panel.
 - 5. Working with the District regarding type and number of panels that will require District recording staff and District staff for presentation of the District's case.
 - 6. Responsible for tracking and requesting payment for services, subject to written approval by the ARB chairman or ARB vice chairman, and subject to final review by the District's administrative staff.
 - 7. Other tasks, if they meet the guidelines of this Policy and do not conflict with TPTC, may be assigned by the ARB chairman.
- 4. The ARB liaison is selected by the ARB chairman, reports to the ARB chairman and can be dismissed from the position by the ARB chairman.
 - 5. The chief appraiser, after consultation with the ARB chairman, will recommend the amount to be dedicated to the cost of the ARB's legal counsel and the board of directors must decide whether to approve the allocation of funds from the budget.
 - 6. The chief appraiser, with advice and consent from the ARB chairman, will recommend an hourly rate for the ARB Liaison that is compatible with the District's allocated budget amount and expected hours needed to complete the liaison's tasks for the year.
 - a. If for any reason the chief appraiser and the ARB chairman cannot agree on an hourly rate, both parties will appear before the board of directors in public session. The decision of the board of directors will be final.

DISTRICT ASSISTANCE

- 1. The District, subject to adoption of its budget by the board of directors and approval of the budget by its member taxing units and subject to annual review of anticipated needs, will provide administrative, clerical and scheduling staff to the ARB. Additionally, the District's staff involved with computer systems, communication systems and facilities will be utilized as deemed appropriate by District management.
- 2. The staff provided by the District to assist the ARB will be a part of the District's personnel budget. The staff provided by the District will report to District management and are not to be considered employees or staff of the ARB itself.
- 3. The District will provide computer hardware, software and communication systems, as a part of the District's operating budget, as designated by the District.

4. The District will provide note pads, pens, pencils and sundry office supplies needed for the operation of the ARB hearings.
5. The District will provide paper, supplies, equipment, personnel and postage necessary to complete the functions of receiving protests, scheduling ARB hearings, input of decisions into the District's CAMA system and producing Orders of Determination by the ARB.

SPENDING ARB FUNDS

1. Funds deposited in the ARB's bank account can only be spent for payment of services from ARB members, Auxiliary ARB members, ARB independent legal counsel, ARB liaison, and for ARB training expenses. Funds may be spent for expenses associated with the ARB's speakers' bureau, with joint pre-approval by the District and ARB chairman. Funds for travel or lodging can only be spent with joint pre-approval by the District and ARB chairman.
2. Funds for reimbursement of food or sundry expenses may be spent based on the following guidelines:
 - a. Two major events: catered orientation lunch for new & returning members and catered end-of-season lunch, following approval of Appraisal Records.
 1. Cost per person not to exceed the average of lunch & dinner allowance from the U.S. General Service Administration, being utilized for the District's travel purposes, as of January 1st.
 2. To be held in the District's Training Room.
 - b. Sundry miscellaneous reimbursements for such items as "Saturday donuts" and ARB break room snacks.
 - c. Reimbursement of meals while on Comptroller required training or other training specifically approved by the Property Tax Code, if the training is at least 6 hours in duration.
 1. Cost not to exceed the lunch allowance from the U.S. General Service Administration, being utilized for the District's travel purposes, as of January 1st.
 - d. For expenditures that are expected to be more than \$500, the secretary or other officer of the ARB will contact the District's business manager prior to scheduling the event to confirm that the balance in the allocated fund will cover the expense.
 - e. On days that the ARB caters an event, or lunch/dinner expense during training is reimbursed to an ARB officer or member, the District will not pay the daily meal allowance to an Officer or member. However, the \$5.00 daily miscellaneous stipend will be paid.

- f. The District's staff will provide catering contacts but the ARB officer or ARB member, as selected by the ARB Chairman, will be responsible for coordination & completion of the event.
- g. Prior to any event/training/lunch/dinner in the District facility the select ARB coordinator must verify that the training, board or conference room is available for the date being proposed for the event.
- h. The District's Business Manager will create a spreadsheet that begins with the annual board of directors approved allocation and then show line-item reductions for each expenditure, and clearly shows the remaining amount available to spend for the remainder of the calendar year.
- i. Since the funding is coming from the District's budget, we will provide our Tax Exempt # for utilization in the catering of the two special events discussed in item #1 above and make payment directly to the restaurant based on information provided by the ARB officer / member handling the event.
- j. Allocated funds will not be rolled forward from year to year. The District is on a calendar year budget and this proposed allowance fund will work in unison with the District's calendar budget.
- k. The Board of Directors is authorizing an allocation of \$2,500 annually for the expenditures outlined in this section.
- l. The chief appraiser will make a report to the board of directors during the 4th quarter each year regarding year-to-date expenditures and projected annual expenditures.
- m. The Board will determine whether to continue the allocation and, if continued, the annual amount for the upcoming calendar year.
- n. The chief appraiser will notify the ARB chairman regarding the board of directors continuance of the allocation. If continued, the report to the ARB chairman will include the GSA allowances under items 2.a.1 and 2.c.1 above.

Note: the initial adoption, for 2019 only, established the allowances for 2.a.1 and 3.a.1 at \$22.50 and \$17.00, respectively. For 2020 forward, if the allocation continues, the dollar amounts will be established and reported as set forth above.


- 3. Funds deposited in the ARB's bank account may be spent on court ordered judgments against the ARB, with approval of the board of directors. Such approval must be given in a public session of the board of directors
- 4. Funds from the ARB bank account cannot be spent on hardware, software, firmware, subscriptions, email systems, social media, furniture, fixtures, communication equipment, security equipment, security services, lobbying services or any expense not expressly approved by this policy, unless approved by the Board of Directors. Such approval must be given in a public session of the board of directors

Date Adopted: 11-29-2018

Resolution #: 2018-1070

Date Amended: 01-24-2019

Resolution #: 2019-1073

 An official website of the United States government



U.S. General Services Administration


FY 2021 Per Diem Rates for Plano, Texas

I'm interested in:

Lodging by month (excluding taxes) | October 2020 - September 2021

Cities not appearing below may be located within a county for which rates are listed. To determine what county a city is located in, visit the

[National Association of Counties \(NACO\) website \(a non-federal website\)](#).

Primary Destination 	County 	2020 Oct	Nov	Dec	2021 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Plano	Collin	\$122	\$122	\$122	\$122	\$122	\$122	\$122	\$122	\$122	\$122	\$122	\$122

Meals & Incidentals (M&IE) Breakdownⁱ

Use this table to find the following information for federal employee travel:

M&IE Total - the full daily amount received for a single calendar day of travel when that day is neither the first nor last day of travel.

Breakfast, lunch, dinner, incidentals - Separate amounts for meals and incidentals. M&IE Total = Breakfast + Lunch + Dinner + Incidentals. Sometimes meal amounts must be deducted from trip voucher. [See More Information](#)

First & last day of travel - amount received on the first and last day of travel and equals 75% of total M&IE.

Primary Destination ⁱ	County ⁱ	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel ⁱ
Plano	Collin	\$56	\$13	\$15	\$23	\$5	\$42.00

I'm interested in:

Last Reviewed: 2020-01-10

REPORTS



Collin Central Appraisal District

MEMO

TO: Board of Directors

FROM: Michele Lake, Taxpayer Liaison Officer

RE: Monthly Status Report

DATE: February 17, 2021

As of this date there have been no new written formal complaints filed to be brought before the Board of Directors.

CHIEF APPRAISER'S REPORT

CHIEF'S REPORT

CHIEF'S REPORT

Agenda Item Reference: Q.2

Report Title

2020 Property Value Study (PVS)



Collin Central Appraisal District

February 22, 2021

TO: Board of Directors

FROM: Bo Daffin, Chief Appraiser

A handwritten signature in black ink that reads "Bo Daffin".

RE: 2020 Comptroller's Property Value Study (PVS)

The Comptroller conducts property value studies on all school districts every other year based on the appraisal performance of the appraisal district. Our schedule falls on even numbered years, and the results are released around February 1st of the following year. We recently received the results from our 2020 PVS, with our appraised values for all school districts, except Farmersville ISD, passing the study.

- Since this is a study concerning the values within school districts and will ultimately impact school funding based on the State's formulas, each school district has the option of allowing the appraisal district or an independent firm to file an appeal.
 - I have spoken with Superintendent Micheal French, and CCAD will be handling the appeal process.
- After gaining written permission from Superintendent French, I filed an Open Records request with the Property Tax Division (PTD) of the Comptroller's office seeking information about their analysis of the sales and their internal appraisals of properties utilized in the study.
 - We received the information from the PTD the day before the inclement weather impacted our operational status.
 - The files were uploaded to our network, and we have had the ability to begin the review of the PTD data online.
- The categories of property that we are reviewing are vacant land/lots, homes, commercial and public utilities. Single family residential will have the greatest impact since Farmersville's Appraisal Roll is weighted to residential values.
 - PTD had no sales data in their analysis of commercial properties. They conducted their own internal appraisals which by law carry as much weight as a sale for purposes of the study.
 - In our first pass review we have found a few errors in the underlying characteristics data for residential sold property compared to our appraisals.
 - Property category J, which is utility properties, requires that the utility company file an appeal since utility companies are valued on a state-wide basis known as a "unit" method valuation. This means that the Comptroller's office, or their 3rd party expert, arrives at the value of the entire utility. Then based on the type, mileage, or meter count within a school district, they allocate a portion of the whole "unit value".

- We have been in contact with Oncor. They are filing a protest statewide, and Farmersville ISD will be named in their protest.
 - The other utility of concern is Texas New Mexico Power. Since they do not pay \$100,000 in tax levy to Farmersville ISD, they cannot specifically appeal Farmersville ISD. They are filing a statewide appeal, and if they are successful, Farmersville ISD would get the benefit of their appeal since the whole “unit value” would change, impacting the allocation value to Farmersville ISD.
- Farmersville ISD would typically have 40 days from the release of the study to file an appeal, and by our calculations the original deadline was March 10th. The Comptroller’s office notified us that the deadline has been extended to March 26, 2021, due to the February 12th weather related Disaster Declaration from Governor Abbott.
 - I already have written permission from Superintendent French authorizing CCAD to file the appeal which he and I will sign.
- Now a few observations about the process in general that I believe warrant distribution to the Board.
 - The PTD will utilize sales that close up to about six months after the January 1st as of date for our appraisal.
 - It is clear that they are looking for appraisal districts that only increase the values on sold properties, known as “sales chasing”, for the purpose of passing the study while leaving similar properties unchanged.
 - We reappraise every year based on an analysis of the sales and changes to our cost pricing guides.
 - An appraisal performed by the PTD staff carries as much weight in their study as a confirmed sale price.
 - It is very common to hear the following comments from owners and our elected leaders. I am only listing a few comments about the appraisal system. The ARB and entity tax rates are a conversation for someone else.
 - (1)Property taxes are out of control, because my appraisal always increases.
 - (2)Something must be done to stop “runaway appraisals.”
 - (3)Bills will be filed to fix a broken appraisal system.
 - Based on the comments just listed, please consider the following.
 - (1)The Property Tax Code requires, not optional, that we appraise property at a 100% market value standard.
 - If the Legislature desired that the appraised values decrease then one sentence added to the Tax Code could instruct us to appraise at 50%, 75%, etc.
 - (2)How can this office or any appraisal district do anything about runaway appraisals when you have an extremely hot residential market, and we are tied to a 100% market value standard by the Tax Code?
 - This is going to get worse in 2021 and likely into 2022.
 - Residential properties are increasing at a faster rate than commercial in general, and some commercial categories will likely decrease due to Covid-19 impacts.

- (3) There are bills filed and being filed that would impact the appraisal of property, including: 2.5% appraisal caps on all properties (now a 10% cap on homesteads only), freeze the appraisal at value when 1st qualified for a homestead, adjust all sales downward by amount of real estate commission on the sale, numerous homestead exemption bills, ag use without use history in certain cases, remove or lessen the requirements to add omitted property to the roll, elected boards and elected chief appraisers, just to name a few.
 - For the most part, bills have the appearance of shifting the burden from one category to another.
 - Short of more state funding or non-property-tax revenue sources, when the overall value decreases, whether by Tax Code changes or market declines, the tax rate would need to increase to generate the same total tax dollars for our entities.
- Now one final observation as we hear that appraised values are too high, and that the appraisal process is out of control.
 - In a PVS system where a school district fails the study when the appraisal district's value is outside -5% to +5% of the Comptroller's finding, this is known as the confidence interval.
 - The first year a school is outside the confidence interval, the local appraisal district's value is certified for use in state funding formulas, therefore no penalty to the local school district. This is known as the "grace period". Once the school is out of grace period, and the appraisal district does not get inside the confidence interval, funding will be impacted.
 - FINALLY, THE OBSERVATION:
 - In a time where we constantly hear from owners, consultants, experts, and politicians that the system is broken, that values and taxes are too high, and that the system is out of control, consider the following.
 - The 2020 PVS study shows that CCAD's total appraised value for all fourteen school districts is too low. Farmersville ISD is the only one that fell below the -5% confidence interval.
 - The PVS studies for 2014, 2016 and 2018 all show that CCAD's total appraised values were too low, for every school district, for every year. However, in all fourteen school districts our total appraised value was within the -5% confidence interval.
 - One might ask why the results of the PVS always indicate that the District is too low. Is it because mass appraisal systems tend to be reactionary, or because the PVS utilizes sales transaction long after the assessment date that were not considered by the District, or because the Comptroller's appraisals carry as much weight in the study as a sold property, or whether the Comptroller's office is able to confirm sales that we do not have access to in a non-disclosure state, or is it our appraisal methodology, appraisal tools or appraisal judgement?
 - How do we balance between what you read in bills being filed to "reign in an out-of-control appraisal system" and the State's own study showing every school district in Collin County is appraised too low in 2014, 2016, 2018 and 2020? Tax Code issue? Appraisal system issue? Tax burden issue? Shift of burden between property categories issue?



Taxes

Property Tax Assistance

2020 Confidence Interval Detail

Collin County
043-904/Farmersville ISD

Category Summary

(1) Category	(1) Local Value	(1) Stratum Ratio	(1) State Value	(2) Sample Size	(3) Total Parcels	Stratum Variance
A	103,936,338	0.8482	122,537,536	18	918	0.029710986
A	119,137,555	0.9552	124,725,246	47	616	0.013165733
A	98,783,250	0.9526	103,698,562	21	346	0.003989341
A	132,038,569	0.9933	132,929,195	24	330	0.003424815
E	195,963,832	0.9035	216,894,114	20	1,075	0.014726822
F1	14,968,959	0.7836	19,102,806	9	92	0.023694837
F1	16,456,106	0.8482	19,401,210	7	36	0.037323017
F1	14,914,358	0.9314	16,012,839	5	12	0.006173777
F1	10,672,300	0.9521	11,209,232	2	3	0.001673487
Random Total S:	706,871,267		766,510,740	153	3,428	
CATG D1 EXCE PTION VALUE S:	3,920,132		2,475,235			
CATG J EXCEP TION VALUES:	22,017,758		24,490,055			
Total Test Valu es	732,809,157		793,476,030			

Margin of Error

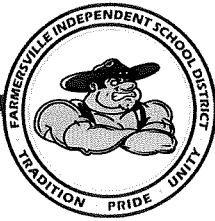
Margin of Error Percent:	5.0000000
Margin of Error Value:	39,673,802

Confidence Interval Values(5)

Local Test Value:	732,809,157	OUTSIDE CONFIDENCE INTERVAL
State Lower Limit:	753,802,228	(State Test Value minus Margin of Error Percent)
State Upper Limit:	833,149,832	(State Test Value plus Margin of Error Percent)

Sources:

- (1) See Stratified Category Worksheet Reports PTS236, PTS430
- (2) Number of parcels sampled by staff
- (3) Total Category Parcels from Stratification Report, Appraisal Roll, or Self-report
- (4) Includes any parcels in A, B, C, D2, E, F1, G1, G2, or L1 marked as exception properties
- (5) Unstudied categories and sub-categories were not included in the Confidence Interval Values



February 2, 2021

Bo Daffin, Chief Appraiser
250 Eldorado Pkwy.
McKinney, TX 75069

RE: Authorization to protest the 2020 PVS finding.

Dear Mr. Daffin,

As required by Texas Administrative Code, cited below, I am hereby authorizing the Collin Central Appraisal District to protest the 2020 finding of the Property Value Study (PVS). This authority includes filing open records requests, filing the protest, submitting forms, submitting evidence, interaction with the personnel from the Comptroller's office or other State agencies, appearing at the hearing(s), and completing other such actions necessary during the protest process.

School District: Farmersville ISD 043-904

Appraisal District: Collin

Texas Administrative Code: Title 34, Part 1, Chapter 9, Subchapter L, Rule §9.4305

Please advise my office concerning additional actions needed from FISD and provide status updates as you work through the protest process.

Sincerely,

Superintendent French

Agenda Item Reference: Q.3

Report Title

2021 Method & Assistance Program (MAP)



Collin Central Appraisal District

February 17, 2021

TO: Board of Directors

FROM: Bo Daffin, Chief Appraiser

RE: 2021 Methods and Assistance Program (MAP)

Based on the Comptroller's MAP reviewer we will have two questions, 12 & 41, listed below with a failure, accompanied by a "recommendation". Following each question, I am providing comments and a likely remedy to turn the preliminary failing mark into a passing mark. This is not a failure of the MAP study, but the preliminary results will show "NO" on our performance regarding these two questions.

MAP QUESTIONS FAILED DURING PRELIMINARY REVIEW	
12. Was the appraisal district's most recent preliminary budget produced and delivered to the taxing units according to the requirements of Tax Code Section 6.06(a)?	41. Did the appraisal district send copies of the most recent reappraisal plan to the presiding officers of the governing body of each taxing unit participating in the district and to the Comptroller by the date described in Tax Code Section 6.05(i)?
HISTORY REGARDING THE "FAILED" STATUS & CCAD ACTION TO MOVE TO A PASSING STATUS	
<p>HISTORY Q12: Our 2021 budget workshop process started one month later than normal. The Board conducted a budget workshop at the June meeting, which was later than the June 15th date in the Tax Code for delivery of the proposed budget to the entities. I made the decision to hold the preliminary budget until after the Board's June 25th meeting. I felt it was inappropriate for me to notify the entities prior to the Board's final workshop, which took place 10 days after the Tax Code's June 15th date.</p> <p>It is important to note that we met the public hearing requirements and that the taxing entities were provided a copy of the proposed 2021 budget with proper notice prior to your budget hearing, which was conducted in July 2020.</p> <p>HOW TO PASS 2021 Q12: Provide the 2022 proposed budget to our entities prior to June 15, 2021 Tax Code date.</p>	<p>HISTORY Q41: The Board adopted the 2021-2022 Reappraisal Plan, timely, following a public hearing conducted in August 2020. As much as I would like to make an excuse, there is not one that would negate my responsibility to send a copy of the adopted plan to the Comptroller.</p> <p>HOW TO PASS 2021 Q41: Amend the 2021-2022 Plan, which would trigger a new notification period to the Comptroller's office. Based on the internal restructuring, promoting two key staff members to Deputy Chief Appraiser, we have "amended" the existing plan with the staff structure updates. Nothing else in the Plan has changed. Going through the process of adopting the amended Plan will give me a new calendar window to provide the 2021-2022 Amended Reappraisal Plan to the Comptroller.</p> <p>Note: Our entities must be provided a copy of the Plan in advance. We have provided them written notice of their online access to the Plan. It has been uploaded to the entity website, where they can view, download, and print a copy.</p>

2021 MAP Review Exit Form

Collin Central Appraisal District

The reviewer **has discussed with me** all the determinations made for the mandatory items and the answers to review questions for the 2021 MAP review, after review of data submitted for the MAP review and the completion of the reviewer's onsite work. Items that currently have a Fail or a No are annotated below.

I understand that the answers to review questions and mandatory items as determined by the reviewer are subject to approval by Property Tax Assistance Division management.

I understand that after the issuance of the preliminary report, documentation can be provided for review, and changes can be made to review question answers prior to the final report being released. I also understand that to ensure new data can be reviewed and changes can be made before the issuance of the 2021 Final MAP report, any new data I submit or prepare for the reviewer to check must be given to the reviewer by Nov. 1, 2021.

MANDATORY QUESTIONS					1	2	3	4						
TIER 1					TIER 2					TIER 3				
1	21	41	61	81	1	21	41	61	81	1	21	41	61	81
2	22	42	62	82	2	22	42	62	82	2	22	42	62	82
3	23	43	63	83	3	23	43	63	83	3	23	43	63	83
4	24	44	64	84	4	24	44	64	84	4	24	44	64	84
5	25	45	65	85	5	25	45	65	85	5	25	45	65	85
6	26	46	66	86	6	26	46	66	86	6	26	46	66	86
7	27	47	67	87	7	27	47	67		7	27	47	67	
8	28	48	68		8	28	48	68		8	28	48	68	
9	29	49	69		9	29	49	69		9	29	49	69	
10	30	50	70		10	30	50	70		10	30	50	70	
11	31	51	71		11	31	51	71		11	31	51	71	
12	32	52	72		12	32	52	72		12	32	52	72	
13	33	53	73		13	33	53	73		13	33	53	73	
14	34	54	74		14	34	54	74		14	34	54	74	
15	35	55	75		15	35	55	75		15	35	55	75	
16	36	56	76		16	36	56	76		16	36	56	76	
17	37	57	77		17	37	57	77		17	37	57	77	
18	38	58	78		18	38	58	78		18	38	58	78	
19	39	59	79		19	39	59	79		19	39	59	79	
20	40	60	80		20	40	60	80		20	40	60	80	

Signature of Chief Appraiser (or designee)

Name

Date

Christie Koska

Signature of Reviewer

Christie Koska

Name

1/29/2021

Date

Reviewer Instructions: Make a copy of the signed and completed form and provide to the chief appraiser while onsite. Send the original signed copy to Emily Hightree. Keep a copy for your records.

**TEMPLATE FROM COMPTROLLER'S WEBSITE
NOT COLLIN CAD RESULTS FORM**

**Glenn Hegar
Texas Comptroller of Public Accounts
2020-21 Preliminary Methods and Assistance Program Tier 1 Review**

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 districts' governance, taxpayer assistance, operating procedures and appraisal standards, procedures and methodology. Each appraisal district is reviewed every other year. This report details the results of the review for the appraisal district named above.

GOVERNANCE

Governance Review Question	Answer	Recommendation
1. Does the appraisal district board of directors regularly evaluate the chief appraiser?		
2. Has the chief appraiser completed the Chief Appraiser Institute prescribed by Section 1151.164 Occupations Code as required by Tax Code Section 6.05(c)?		
3. Has the board of directors and appraisal review board completed Open Meetings training pursuant to Government Code Section 551.005?		
4. Does the appraisal district have a professional development program as discussed in IAAO's <i>Standard on Professional Development</i> ?		
5. Do the current appraisal district board of director members meet the criteria listed in Tax Code Section 6.03(a), 6.035(a)(2) and 6.035(a-1)?		
6. Has the chief appraiser calculated the number of votes to which each taxing unit is entitled and delivered written notice of the voting entitlement before October 1st of the most recent odd-numbered year as described in Tax Code Section 6.03(e) or if the appraisal district falls under 6.031, have they received nominating resolutions by December 31st?		
7. Before October 30, did the chief appraiser prepare a ballot, listing the candidates whose names were timely submitted and deliver a copy to each taxing unit that is entitled to vote in accordance with Tax Code Section 6.03(j)?		

Governance Review Question	Answer	Recommendation
8. Did the appraisal district receive nominating resolutions before December 15 th and did the chief appraiser submit the results to the governing body of each taxing units entitled to vote and the candidates before December 31st as required by Tax Code Sections 6.03(k)?		
9. Did the board of directors meet at least quarterly and with a quorum present at every meeting in the previous year as required by Tax Code Section 6.04(b)?		
10. Was the most recent written reappraisal plan adopted by the appraisal district's board of directors by the Sept. 15 deadline listed in Tax Code Section 6.05(i)?		
11. Did the appraisal district board of directors provide notice of and host a public hearing for the 2019-20 reappraisal plan by September 15, 2018 or the 2021-22 reappraisal plan by September 15, 2020 pursuant to Tax Code Section 6.05(i)?		
12. Was the appraisal district's most recent preliminary budget produced and delivered to the taxing units according to the requirements of Tax Code Section 6.06(a)?		
13. Did the appraisal district prepare and post the most recent budget notice according to the requirements of Tax Code Section 6.062?		
14. Did the appraisal district board of directors provide notice of and host a public hearing for the most recent budget and approve a budget before September 15 according to the requirements of Tax Code Section 6.06(b)?		
15. Has the chief appraiser appointed a qualified agricultural appraisal advisory board and has that board met at least once within the previous year, as required by Tax Code Section 6.12?		
16. Did the appraisal district deliver a copy of the most recent financial audit report to each taxing unit eligible to vote on the appointment of district directors as described in Tax Code Section 6.063(b)?		

Governance Review Question	Answer	Recommendation
17. Are allocation statements sent to each taxing unit as described in Tax Code Section 6.06(e)?		
18. Does the appraisal district have updated board of director policies that include a written plan that describes how a person who does not speak English or has a physical, mental, or developmental disability may be provided reasonable access to the board as described in Tax Code Section 6.04(e)?		

TAXPAYER ASSISTANCE

Taxpayer Assistance Review	Answer	Recommendation
19. Is the information on the appraisal district's website up-to-date?		
20. Does the appraisal district maintain contact with the public by providing written publications and annual reports as described in IAAO's <i>Standard on Public Relations</i> ?		
21. Does the appraisal district report, and make available to the public, the metered amount of electricity, water or natural gas consumed for which it is responsible to pay and the aggregate costs for those utility services as required by Government Code Section 2265.001?		
22. Did the appraisal district publicize the notices required by Tax Code Sections 11.44(b), 22.21, 23.43(f), 23.54(g) and 23.75(g) in a manner designed to reasonably notify all property owners?		
23. Did the appraisal district publish the notice of protest and appeal procedures as required by Tax Code Section 41.70?		
24. Does the appraisal district offer training to employees for customer service/public relations as described in IAAO's <i>Standard on Public Relations</i> ?		

Taxpayer Assistance Review Question	Answer	Recommendation
25. Does the appraisal district have a procedure for receiving and responding to open records requests that complies with Government Code Chapter 552 and is the procedure being followed?		
26. Does the appraisal district have a process for updating or maintaining homestead exemptions?		
27. Does the homestead exemption form used by the appraisal district comply with Comptroller Rule 9.415?		
28. Does the appraisal district notify property owners when denying, modifying or cancelling exemptions as described in Tax Code Sections 11.43(h) and 11.45(d)?		
29. Did the appraisal district follow the procedure described in Tax Code Section 11.43(q) when cancelling homestead exemptions for individuals who are 65 years of age or older?		
30. Did the chief appraiser deliver notices of denial of applications for open-space land designation that include a brief explanation 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)?		
31. 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)?		
32. Does the appraisal district comply with the requirements for granting solar and wind power energy devices exemptions under Tax Code Section 11.27?		
33. Does the appraisal district maintain documentation for deferrals as required by Tax Code Section 33.06(b)?		
34. Does the appraisal district comply with the requirements for granting charitable organization exemptions under Tax Code Section 11.18?		

Taxpayer Assistance Review Question	Answer	Recommendation
35. Does the appraisal district maintain the required information stated in Tax Code Section 11.432 for manufactured homes to qualify as a residence homestead?		
36. For properties that submitted a rendition penalty waiver request that was denied, did the chief appraiser deliver by first class mail written notice of the denial of the rendition penalty waiver request to the property owner as described in Tax Code Section 22.30 (a-1)?		

OPERATING PROCEDURES

Operating Procedures Review Question	Answer	Recommendation
37. Does the chief appraiser ensure all appraisal staff completes all requirements for becoming a Registered Professional Appraiser by the Texas Department of Licensing and Regulation?		
38. Is the appraisal district in compliance with Tax Code Section 6.054, restriction on employment by appraisal district?		
39. Does the appraisal district have comprehensive and workable written procedures concerning disaster recovery and mitigation?		
40. Did the appraisal district timely submit the Comptroller's most recent appraisal district operations survey?		
41. Did the appraisal district send copies of the most recent reappraisal plan to the presiding officers of the governing body of each taxing unit participating in the district and to the Comptroller by the date described in Tax Code Section 6.05(i)?		
42. Does the appraisal district receive and process arbitration requests as described in Tax Code Section 41A.05 and Comptroller Rule 9.4254?		

Operating Procedures Review Question	Answer	Recommendation
43. Did the appraisal district correct the appraisal roll and other appropriate records as necessary to reflect the final determination of the appeal and certify the change to the assessor for each affected taxing unit no later than the 45 th day after the date an appeal is finally determined as required by Tax Code Section 42.41(a)(1) and 42.41(a)(2)?		
44. Did the appraisal district compile a partial exemption list as described in Tax Code Section 11.46 and Comptroller Rule 9.3010 and was the most recent list made available to the public?		
45. Not later than April 30 of the most recent year, did the appraisal district prepare and certify to the assessor for each county, municipality and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unit as described by Tax Code Section 26.01(e)?		
46. Did the chief appraiser prepare and certify the two most recent appraisal rolls to the assessor for each taxing unit participating in the district as described in Tax Code Section 26.01(a)?		
47. For changes made to the appraisal roll under Tax Code Section 25.25, are the changes coded by the appropriate subsection that authorizes the change?		
48. Are corrections of the appraisal roll presented to the appraisal district's board of directors and Appraisal Review Board as described in Tax Code Section 25.25(b)?		
49. Are 25.25 (c) changes to the appraisal roll permissible changes in accordance with Tax Code Section 25.25(c)?		

Operating Procedures Review Question	Answer	Recommendation
50. Does the chief appraiser submit the completed appraisal records to the Appraisal Review Board for review and determination of protests as described in Tax Code Section 25.22?		
51. Do the appraisal review board's orders of determination comply with the requirements of Tax Code Sections 41.47(c)(1) and (2) and the Comptroller's model hearing procedures as they relate to Tax Code Section 5.103(b)(2)?		
52. Does the appraisal district provide evidence during the appeals process?		
53. Are agent authorization forms on file and complete in accordance with Tax Code Section 1.111(b)?		
54. Did the appraisal district submit completed forms and required documentation for designated re-investment zones and abatement agreements before July 1st of the year following the year in which the zone is designated or the agreement is executed as required by Tax Code Section 312.005(a)?		
55. Is the appraisal district compliant with Tax Code Section 11.13(g) as it relates to FMFC exemptions?		
56. Are properties correctly categorized according to PTAD classification guidelines?		
57. Do the appraisal records include the required descriptive information for manufactured homes as stated in Tax Code Section 25.03?		
58. Did the appraisal district submit the two most recent electronic property transaction submissions to the Comptroller timely?		
59. Did the appraisal district submit the two most recent electronic appraisal rolls to the Comptroller timely?		

APPRAISAL STANDARDS, PROCEDURES AND METHODOLOGY

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
60. Have the physical inspection dates in the appraisal records been updated within the previous six years as discussed in IAAO's <i>Standard on Mass Appraisal of Real Property</i> ?		
61. Did the appraisal district complete and produce written mass appraisal reports in the previous two years as required by USPAP Standard 6?		
62. Do the appraisal district's contracts contain the items described in IAAO's <i>Standard on Contracting for Assessment Services</i> ?		
63. Does the appraisal district gather available real estate transfer documents and use available third-party sources in gathering sales information, according to IAAO's <i>Standard on Verification and Adjustment of Sales</i> , Sections 3.1 through 3.4?		
64. Do sold and unsold "like" properties within the same market area have similar noticed values?		
65. Does the appraisal district run ratio studies by market area and neighborhood, property class, or stratum?		
66. 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?		
67. Has the appraisal district adjusted its residential property cost schedules based on sales data, ratio studies, local conditions or market factors within the previous two years?		
68. Has the appraisal district adjusted its commercial property cost schedules based on sales data, ratio studies, local conditions or market factors within the previous two years?		

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
69. Does the appraisal district follow its written procedures for inspecting new personal property accounts in the 12 months after they are created, as discussed in IAAO's <i>Standard on Valuation of Personal Property</i> ?		
70. Does the appraisal district apply the rendition penalty for taxpayers who do not render timely according to Tax Code Section 22.28 and are penalties waived when necessary, as described in Tax Code Section 22.30?		
71. Has the chief appraiser established procedures for the equitable and uniform appraisal of residential inventory for taxation as required by Tax Code Section 23.12?		
72. Does the appraisal district comply with appraisal requirements for heavy equipment inventory (Tax Code Section 23.1241)?		
73. Does the appraisal district comply with appraisal requirements for motor vehicle inventory (Tax Code Section 23.121)?		
74. Does the appraisal district gather income and expense data and calculate values using the income approach for multi-family properties?		
75. Does the appraisal district gather income and expense data and calculate values using the income approach for office properties?		
76. Does the appraisal district gather income and expense data and calculate values using the income approach for retail properties?		
77. Does the appraisal district gather income and expense data and calculate values using the income approach for warehouse properties/mini storages?		
78. Are exempt and nonexempt multi-family low income properties appraised in accordance with Section 23.215 and 11.1825(q) of the Property Tax Code?		

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
79. Does the appraisal district post exempt low-income capitalization rates on their website by January 31st and is the capitalization rate that is posted the one that is used on exempt multi-family low income housing as described in Tax Code Section 11.1825(r)?		
80. Are net-to-land calculations for agricultural use land designated as dry and irrigated cropland reproducible from the appraisal district's records and is the appraisal district following their dry and/or irrigated cropland schedule?		
81. Are net-to-land calculations for agricultural use land designated as native pasture reproducible from the appraisal district's appraisal records and is the appraisal district following their native pasture schedule?		
82. Does the appraisal district perform inspections of properties as a result of receiving wildlife management use appraisal applications?		
83. Does the appraisal district perform inspections of properties as a result of receiving agricultural use appraisal applications?		
84. For properties that have been granted agricultural use appraisal, are completed applications and required documentation on file?		
85. Is the appraisal district following their current guidelines for degree of intensity standards when granting special valuation appraisal for agricultural and/or timberland use?		
86. Has the appraisal district updated and implemented timber guidelines to include the qualification of productivity appraisal under Tax Code Sections 23.72(b) and 23.9802(d)?		
87. Does the appraisal district make an entry on the appraisal records when agricultural applications are received after April 30 and deliver written notice of imposition of the penalty as described in Tax Code Section 23.431?		