



**2022 BUDGET WORKSHOP
&
REGULAR
BOARD OF DIRECTORS MEETING
(CONDUCTED ONSITE AND TELEPHONICALLY)**

May 27, 2021

MEETING NOTICE & AGENDA

**NOTICE OF BUDGET WORKSHOP
and
NOTICE OF REGULAR MEETING**

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

(CONDUCTED ONSITE & TELEPHONICALLY)

Notice is hereby given that on the 27th day of May 2021, at 7:00 a.m., the Board of Directors of the Collin Central Appraisal District will hold a budget workshop 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: 453 544 920#. 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 20th day of May 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, May 27, 2021

REGULAR MEETING & 2022 BUDGET WORKSHOP -Conducted at

CENTRAL APPRAISAL DISTRICT OFFICE

**250 Eldorado Parkway, Dr. Leo Fitzgerald Board Room
McKinney, Texas 75069**

I. 2022 BUDGET WORKSHOP

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 2022 BUDGET WORKSHOP
C.		Adjourn 2022 BUDGET WORKSHOP

II. REGULAR MEETING

ITEM #	SUB #	ITEM DESCRIPTION
A.		Call to order: (Immediately following 2022 BUDGET WORKSHOP)
	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 April 22, 2021 regular meeting.

E. Review of April 2021 bills.

F. Review of April 2021 financial reports.

G. Review and sign checks for approved purchases requiring Board signature.

H. Review report of April 2021 checks and electronic transfers greater than \$25,000.

END OF CONSENT AGENDA

I. Discuss and vote on scheduling a Public Hearing on the proposed 2022 budget.

J. Receive year-end 2020 financial audit report from K. Evans & Associates, PLLC.

K. Receive recommendation and vote on designating Budget Reserve Funds.

L. Receive recommendation and vote on 2-year extension of the District's depository contract with American National Bank.

M. Receive recommendation and vote on amending District Policy # 107.

AGENDA
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT

- N. Receive recommendation and vote on amending District Policy # 108.**
- O. Receive recommendation and vote on authorizing the chief appraiser to engage our architect for construction plans, which will enable the District to receive quotes for the renovation of existing office space and to finish out shell space.**
- P. Reports**
 - 1 Taxpayer Liaison Officer Report
 - 2 2021 ARB Protest Filed Report
 - 3 Farmersville ISD 2020 Property Value Study (PVS) Appeal Update
- Q. Chief Appraiser's Report**
 - 1 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

CONSENT AGENDA

D. MINUTES

April 22, 2021

MINUTES
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT
Thursday, April 22, 2021

REGULAR MEETING & 2022 BUDGET WORKSHOP
Conducted Onsite & Telephonically

MEETING LOCATION: Central Appraisal District Office
250 Eldorado Parkway, Dr. Leo Fitzgerald Board Room
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. 2022 BUDGET WORKSHOP

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 2022 BUDGET WORKSHOP
C.		Adjourn 2022 BUDGET WORKSHOP

II. REGULAR MEETING

ITEM #	SUB #	ITEM DESCRIPTION
A.		Call to Order 7:30 a.m.
	1	Meeting was called to order by Chairman, Gary Rodenbaugh, and he announced that the meeting had been posted in the time and manner required by law.
	2	The Chairman announced that a quorum was present.

MINUTES
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT

B. Executive Session

There was no need for an executive session at this meeting.

C. Action on items discussed in executive session.

- 1 N/A
- 2 N/A
- 3 N/A

CONSENT AGENDA

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

- D.** Action taken: Board approved minutes from March 4, 2021 special meeting.

- E.** Action taken: Board reviewed the February 2021 and March 2021 bills.

- F.** Action taken: Board reviewed and accepted the February 2021 and March 2021 financial reports.

- G.** Action taken: There were no checks needing to be signed by Chairman, Gary Rodenbaugh.

- H.** Action taken: Board reviewed and accepted the February 2021 and March 2021 report of checks and electronic transfers greater than \$25,000.

END OF CONSENT AGENDA

- I.** Bo Daffin, Chief Appraiser, requested the Board's permission to initiate contract extension negotiations with American National Bank (ANB) to continue serving as the District's depository. Wayne Mayo motioned to grant Mr. Daffin permission to negotiate a renewal to extend the District's Bank Depository contract with ANB. Ken Maun seconded the motion. Motion carried.

- J.** Following discussion of the District's existing electricity contract, the Board voted to authorize the chief appraiser to negotiate and execute a new long-term contract for electricity. Ken Maun motioned to authorize Mr. Daffin to negotiate and execute a new long-term contract for electricity. Ron Carlisle seconded the motion. Motion carried.

MINUTES

BOARD OF DIRECTORS COLLIN CENTRAL APPRAISAL DISTRICT

- K.** Brian Mantzey made a motion to hold a second budget workshop for discussion of the 2022 proposed budget. The meeting will be held on May 27, 2021 at 7:00 a.m. with the regular board meeting immediately following. Motion seconded by Ron Carlisle. The motion carried.

L. 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 Quarterly Texas Department of Licensing & Regulation (TDLR) complaint report to the Board, stating no complaints received from TDLR during the 1st quarter of 2021. Her report included an update regarding the complaint filed by Justin Jinright and presented to the Board of Directors at the October 8, 2020 meeting. The case is open and under review.
- 3 Robert Waldrop, Deputy Chief of Business Operations, presented the 1st Quarter 2021 Investment Report.
- 4 Deputy Chief, Robert Waldrop, presented the 1st Quarter 2021 Collateral Report.
- 5 Mr. Waldrop presented the 1st Quarter 2021 Vendor Report, highlighting new vendors.
- 6 Brian Swanson, Director of Abatements, Exemptions & Litigation, presented the 2021 1st Quarter Litigation Report.
- 7 Mr. Waldrop addressed the Board with an executive summary update of the 2020 Property Value Study Appeal for Farmersville ISD.
- 8 Kelly Lintner, Deputy Chief of Appraisal Operations, presented the 2021 Notice of Appraised Value 25.19 Report.

M. Chief Appraiser's Report

- 1 Mr. Daffin presented the 2021 Preliminary Values Report.
- 2 General Comments

III. AUDIENCE

- A.** There were no public comments.

CCAD staff in attendance:

Bo Daffin
Kelly Lintner
Robert Waldrop
Tamera Glass
Toni Bryan
Valerie Hyden
Brad Richards

MINUTES
BOARD OF DIRECTORS
COLLIN CENTRAL APPRAISAL DISTRICT

Dana Wilson
Elliot Bensend
Marty Wright
Michele Lake
Paula Bensend
Phil Greaux
Ryan Matthews
Stephanie Cave-Bernal
Eric Grusendorf
Wendy Gilliland
Cindy Smith
Brian Swanson
Tina Castillo
Jason Harris
Shane Cheek
Jamie Worth

Public in attendance:

Christopher Nickell

- IV.** The next regular meeting is to be held onsite and telephonically on May 27, 2021 at 7:00 a.m. at 250 Eldorado Pkwy., McKinney, Texas.
- V.** Chairman, Gary Rodenbaugh announced the Board had concluded its business and the meeting was adjourned. The meeting was adjourned at 8:20 a.m.

E.
BILLS
PAID

April 2021

BILLS PAID

BILLS PAID

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

Num	Date	Name	Amount
Apr 21			
ACH	04/09/2021	TEXAS SDU CHILDSUPP	-908.70
ACH	04/12/2021	NATIONWIDE RETIREMENT SOLUTIONS	-6,247.50
ACH	04/15/2021	TCDRS	-132,824.60
ACH	04/23/2021	NATIONWIDE RETIREMENT SOLUTIONS	-6,247.50
ACH	04/23/2021	TEXAS SDU CHILDSUPP	-908.70
ACH	04/09/2021	ADP INC	-2,712.97
WIRE	04/30/2021	SOUND PRODUCTIONS LLC	-27,240.00
51931	04/01/2021	DSS	-92.40
51932	04/01/2021	DSS FIRE INC	-90.00
51933	04/01/2021	MC PURE CLEANING, LLC	-6,800.00
51934	04/01/2021	VANGUARD CLEANING SERVICES	-1,000.00
51935	04/01/2021	WELLSPRING INSURANCE AGENCY, INC	-3,650.00
51948	04/05/2021	BORTON, BRIAN K	-360.00
51949	04/05/2021	HENRY, JAMES	-360.00
51950	04/05/2021	NOEL, NICHOLAS B	-360.00
51951	04/05/2021	THIGPEN, LESLIE MICHAEL	-360.00
51952	04/05/2021	AFFILIATED COM-NET, INC.	-1,548.55
51953	04/05/2021	COYLE, LANCE	-450.00
51954	04/05/2021	HAYNES LANDSCAPE & MAINTENANCE, INC	-1,224.89
51955	04/05/2021	PITNEY LEASE	-8,051.34
51956	04/05/2021	SAUNDERS & WALSH, PLLC	-92,707.00
51957	04/05/2021	TEXAS ARCHIVES	-90.76
51958	04/05/2021	TRUE PRODIGY TECH SOLUTIONS LLC	-1,025.00
51959	04/05/2021	WASTE CONNECTIONS OF TEXAS	-169.06
51960	04/13/2021	BLAYLOCK, GEAN KENT	-360.00
51961	04/13/2021	BORTON, BRIAN K	-360.00
51962	04/13/2021	HENRY, JAMES	-360.00
51963	04/13/2021	NOEL, NICHOLAS B	-360.00
51964	04/13/2021	POLK, MATTHEW	-360.00
51965	04/13/2021	AFFILIATED COM-NET, INC.	-1,958.83
51966	04/13/2021	BCC SOFTWARE	-3,845.00
51967	04/13/2021	BELO + COMPANY	-5,441.00
51968	04/13/2021	CINTAS MAT SERVICE	-251.74
51969	04/13/2021	CINTAS SANI CLEAN	-647.30
51970	04/13/2021	COLORIT GRAPHICS SERVICES	-50.00
51971	04/13/2021	COSTAR REALTY INFORMATION INC	-5,134.00
51972	04/13/2021	CUSHMAN & WAKEFIELD	-4,500.00
51973	04/13/2021	FISHER PHILLIPS	-208.50
51974	04/13/2021	HBS REAL ESTATE	-2,000.00
51975	04/13/2021	KERBY & KERBY PLLC	-250.00
51976	04/13/2021	MCROBERTS & COMPANY	-2,500.00
51977	04/13/2021	NICKELL, CHRISTOPHER	-720.00
51978	04/13/2021	NICKELL, CHRISTOPHER	-640.00
51979	04/13/2021	PROPERTY TAX EDUCATION COALITION, INC	-285.00
51980	04/13/2021	PROSTAR SERVICES, INC	-131.69
51981	04/13/2021	SHI GOVERNMENT SOLUTIONS	-2,481.80
51982	04/13/2021	SUPERIOR VISION OF TEXAS	-1,640.98
51983	04/13/2021	WEX HEALTH INC	-156.05
51984	04/19/2021	GRIFFIN, JENNIFER	-71.00
51985	04/19/2021	VELEZ, JESSICA	-71.00
51986	04/19/2021	INSURICA EXPRESS	-50.00
51987	04/19/2021	TEXAS SECRETARY OF STATE	-21.00
51988	04/19/2021	KAISER, MATTHEW	-360.00

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

Num	Date	Name	Amount
51989	04/19/2021	NOEL, NICHOLAS B	-360.00
51990	04/19/2021	THIGPEN, LESLIE MICHAEL	-360.00
51991	04/19/2021	WILSON, FRANKLIN	-800.00
51992	04/19/2021	BLUECROSS BLUESHIELD (LIFE&STLT)	-9,569.99
51993	04/19/2021	BRATTON, CHARLES	-750.00
51994	04/19/2021	BRYANT, MARTIN E	-750.00
51995	04/19/2021	BULLER, RALPH	-750.00
51996	04/19/2021	CARENOW	-460.00
51997	04/19/2021	COPYNET	-3,476.18
51998	04/19/2021	DALLAS MORNING NEWS	-291.10
51999	04/19/2021	GRIFFITH, BOBBY	-450.00
52000	04/19/2021	INTEX ELECTRICAL CONTRACTORS, INC	-8,543.10
52001	04/19/2021	MCROBERTS & COMPANY	-8,000.00
52002	04/19/2021	MICHAEL'S KEYS, INC.	-513.35
52003	04/19/2021	VARIVERGE LLC	-945.15
52004	04/19/2021	FIRST STOP HEALTH	-1,074.20
52005	04/26/2021	BORTON, BRIAN K	-360.00
52006	04/26/2021	DIAZ, STEPHEN ERIK	-490.00
52007	04/26/2021	HENRY, JAMES	-360.00
52008	04/26/2021	POLK, MATTHEW	-370.00
52009	04/26/2021	WILSON, FRANKLIN	-360.00
52010	04/26/2021	AT&T MOBILITY	-1,584.59
52011	04/26/2021	BATTERIES PLUS	-24.85
52012	04/26/2021	BLUECROSS BLUESHIELD OF TEXAS	-96,844.17
52013	04/26/2021	BLUECROSS BLUESHIELD OF TEXAS	-2,233.55
52014	04/26/2021	CARD SERVICE CENTER	-5,254.43
52015	04/26/2021	CITY OF MCKINNEY	-754.74
52016	04/26/2021	GREEN MOUNTAIN ENERGY	-4,220.99
52017	04/26/2021	IN BLOOM	-148.00
52018	04/26/2021	PHILLIPS MURRAH, PC	-384.00
52019	04/26/2021	PROSTAR SERVICES, INC	-743.24
52020	04/26/2021	SODERSTROM, DEAN C	-111.60
52021	04/26/2021	TAAD	-1,000.00
52022	04/26/2021	TRABOLD COMPANY	-2,000.00
52023	04/26/2021	UNUM LIFE INSURANCE CO OF AMERICA	-1,342.70
52024	04/26/2021	VARIVERGE LLC	-48,019.62
52025	04/27/2021	AT&T (U-VERSE)	-170.22
52026	04/27/2021	DLT SOLUTIONS LLC	-1,158.00
52027	04/27/2021	DSS FIRE INC	-1,394.00
52028	04/27/2021	HYDEN, SAMUEL	-103.19
52029	04/27/2021	JONES, MICHAEL R	-2,137.63
52030	04/27/2021	PITNEY SUPPLIES	-490.50
52031	04/27/2021	STAPLES BUSINESS CREDIT	-1,559.96
52032	04/27/2021	TIME WARNER CABLE	-2,059.76
52033	04/30/2021	AFLAC	-4,930.45
52034	04/30/2021	AT&T (FIBER)	-1,544.42
52035	04/30/2021	CINTAS FIRST AID	-93.62
52036	04/30/2021	CINTAS MAT SERVICE	-322.85
52037	04/30/2021	CINTAS SANI CLEAN	-2,333.20
52038	04/30/2021	COPYNET	-990.00
52039	04/30/2021	DSS FIRE INC	-4,758.00
52040	04/30/2021	MURLEY PLUMBING	-568.68
52041	04/30/2021	PLANO OFFICE SUPPLY	-31,722.13
52042	04/30/2021	SAM'S CLUB	-328.12

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

Num	Date	Name	Amount
Apr 21			<u><u>-591,008.14</u></u>

F. FINANCIAL REPORTS

April 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

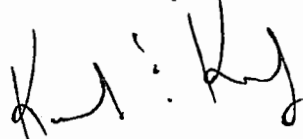
Management is responsible for the accompanying financial statements of the business-type activities of CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY (a political subdivision of the State of Texas), which comprise the statement of net position as of April 30, 2021, and the related statement of revenue, 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
May 5, 2021

1650 West Virginia
(972) 542-1233

(972) 542-3798 Fax

McKinney, Texas 75069
(972) 562-0200 Metro

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY
Statement Of Assets, Liabilities And Fund Balance - Cash Basis
April 30, 2021

ASSETS

CURRENT ASSETS

Prosperity (formerly LTB) -Oper	\$	14,745.29
American National Bank -Oper		16,585,794.30
American National Bank -ARB		1,338.11
Petty Cash - Admin		100.00
Petty Cash - Mapping		50.00
Accounts Receivable		(1,259.50)
Certificates of Deposit		501,502.01
Prepaid Expenses		<u>205,727.70</u>

TOTAL CURRENT ASSETS **\$ 17,307,997.91**

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	7,462,092.28
Land-Assets	<u>1,387,232.00</u>
Total Property And Equipment	11,241,711.70
Less Accumulated Depreciation	<u>(4,281,517.08)</u>

NET PROPERTY AND EQUIPMENT **6,960,194.62**

OTHER ASSETS

Net Pension Asset	2,685,509.00
Deferred Resource Outflows	<u>2,000,344.00</u>

TOTAL OTHER ASSETS **4,685,853.00**

TOTAL ASSETS **\$ 28,954,045.53**

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY
Statement Of Assets, Liabilities And Fund Balance - Cash Basis
April 30, 2021

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

All Current Liabilities \$ 714,205.95

TOTAL CURRENT LIABILITIES \$ **714,205.95**

LONG-TERM LIABILITIES

Deferred Resources Inflows 1,080,231.00

TOTAL LONG-TERM LIABILITIES **1,080,231.00**

TOTAL LIABILITIES **1,794,436.95**

FUND BALANCE

Fund Balance(CashBasisRelated) 2,603,804.50

Fund Balance-Designated 5,886,100.00

Fund Balance-Undesignated 5,462,776.20

Fund Bal-Cap Assets Less Debt 7,046,917.00

Year To Date Increase or Decrease 6,160,010.88

TOTAL DESIGNATED / UNDESIGNATED FUND BALANCE **27,159,608.58**

TOTAL LIABILITIES AND FUND BALANCE \$ **28,954,045.53**

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY
Statement Of Revenue, Expenses And Change In Fund Balance - Cash Basis
1 And 4 Months Ended April 30, 2021

	2021 Budget	1 month ended Apr 30, 2021	Year to date ended Apr 30, 2021	% of Budget	Remaining Budget
REVENUE					
Entity Support Revenue	\$ 21,759,400.00	\$ 12,821.25	\$ 11,613,464.50	53.37 %	10,145,935.50
Interest-Bank Accts/Investment	0.00	11,369.30	41,030.23		(41,030.23)
BPP Rendition Penalty Revenue	0.00	49,720.09	66,114.96		(66,114.96)
Misc Revenue	0.00	1,108.80	2,569.74		(2,569.74)
TOTAL REVENUE	21,759,400.00	75,019.44	11,723,179.43	53.88 %	10,036,220.57
OPERATING EXPENSES					
Salaries Full Time	10,742,400.00	659,206.50	2,640,140.21	24.58 %	8,102,259.79
Salaries Part Time/Temp	167,600.00	4,854.00	4,854.00	2.90 %	162,746.00
First Stop Health Discount Plan	0.00	1,074.20	4,296.80		(4,296.80)
Overtime	52,000.00	3,746.47	29,886.00	57.47 %	22,114.00
Auto Allowance	768,000.00	57,414.78	229,596.66	29.90 %	538,403.34
Worker's Compensation	40,000.00	3,160.00	8,425.00	21.06 %	31,575.00
Employee Group Insurance	2,515,000.00	134,418.64	541,729.30	21.54 %	1,973,270.70
FICA Tax	159,000.00	10,732.10	42,033.69	26.44 %	116,966.31
Employee Retirement	1,425,100.00	85,800.00	346,119.62	24.29 %	1,078,980.38
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	113,449.50	329,628.60	18.31 %	1,470,371.40
Accounting & Audit	16,000.00	250.00	10,800.00	67.50 %	5,200.00
Insurance	45,000.00	3,680.00	15,016.08	33.37 %	29,983.92
Legal Notices & Advertising	37,000.00	5,441.00	5,441.00	14.71 %	31,559.00
Appraisal Review Board	650,000.00	2,111.60	36,690.78	5.64 %	613,309.22
Telephone, Internet, Data Cloud	350,000.00	9,040.30	47,452.18	13.56 %	302,547.82
Utilities	160,900.00	5,315.01	25,999.80	16.16 %	134,900.20
Equipment Rent	95,000.00	10,206.81	24,529.56	25.82 %	70,470.44
Equipment Maintenance	45,000.00	1,320.71	6,973.91	15.50 %	38,026.09
Postage	450,000.00	716.04	192,899.32	42.87 %	257,100.68
Aerial Photography	430,000.00	0.00	369,600.00	85.95 %	60,400.00
Supplies	425,000.00	63,634.13	142,431.05	33.51 %	282,568.95
Registration & Dues	45,000.00	135.00	1,154.60	2.57 %	43,845.40
Travel & Education	175,000.00	6,189.63	19,658.28	11.23 %	155,341.72
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	7,188.79	48,689.79	54.10 %	41,310.21
Professional Services	170,000.00	2,712.97	12,881.42	7.58 %	157,118.58
Security	165,000.00	7,060.00	24,750.00	15.00 %	140,250.00
Building Maintenance	125,000.00	14,156.38	53,381.79	42.71 %	71,618.21
Building Repair/Modifications	170,000.00	14,383.13	70,952.46	41.74 %	99,047.54
Depreciation	0.00	21,680.59	86,722.36		(86,722.36)
Furniture & Equipment	65,000.00	29,475.48	34,826.81	53.58 %	30,173.19
Computer Hardware & Computer	250,000.00	27,240.00	30,018.64	12.01 %	219,981.36
Computer Software Licenses & Subs	600,000.00	7,826.80	44,644.92	7.44 %	555,355.08
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	23,119.73	80,943.92	24.91 %	244,056.08
Contingency	200,000.00	0.00	0.00	0.00 %	200,000.00
TOTAL OPERATING EXPENSES	23,520,500.00	1,336,740.29	5,563,168.55	23.65 %	17,957,331.45
EXCESS(DEFICIT) INCOME & \$	(1,761,100.00)	\$ (1,261,720.85)	6,160,010.88	(349.78)%	(7,921,110.88)
BEGINNING FUND BALANCE			20,999,597.70		
ENDING FUND BALANCE			\$ 27,159,608.58		

CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY

Supplemental Schedules

April 30, 2021

ACCUMULATED DEPRECIATION

Accum Depr-Furniture & Equip	\$	(552,408.80)
Accum Depr-Telephone Equipment		(186,788.98)
Accum Depr-Computer Equipment		(766,408.54)
Accum Depr-Computer Software		(621,151.39)
Accum Depr-Building		<u>(2,154,759.37)</u>

TOTAL ACCUMULATED DEPRECIATION **\$** **(4,281,517.08)**

OTHER CURRENT LIABILITIES

Accounts Payable	\$	(0.10)
Credit Card-LegacyTexas		3,825.30
Credit Card-Home Depot		244.35
Employee Savings		7,679.43
Accrued Wages Payable		148,283.31
Group Insurance Payable		(1,092.97)
Retirement Payable		132,190.55
Compensated Absences Payable		<u>423,076.08</u>

TOTAL OTHER CURRENT LIABILITIES **\$** **714,205.95**

G.

FUNDED ITEMS

BOARD OFFICER'S SIGNATURE REQUIRED



Collin Central Appraisal District

Date: 05/13/21

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***

April 2021



Collin Central Appraisal District

Date: 5/13/21

To: Board of Directors

From: Bo Daffin, Chief Appraiser *Bo Daffin*

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

ITEM	DATE	DESCRIPTION	\$ AMOUNT
ACH	4/08/21	ADP (payroll and taxes)	\$363,500.50
ACH	4/15/21	TCDRS	\$132,824.60
ACH	4/22/21	ADP (payroll and taxes)	\$332,891.16
WIRE	4/30/21	Sound Productions, LLC	\$27,240.00
Ck #51915	4/06/21	Blue Cross & Blue Shield	\$94,906.28
Ck #51956	4/12/21	Saunders & Walsh	\$92,707.00

J.

2020 Audit Report

Kirk Evans

K. Evans & Associates, PLLC.

**CENTRAL APPRAISAL DISTRICT
OF COLLIN COUNTY**

Financial Statements
(With Auditor's Report Thereon)

December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Central Appraisal District of Collin County
250 Eldorado Parkway
McKinney, Texas 75069

We have audited the accompanying financial statements of the business-type activities of Central Appraisal District of Collin County, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Central Appraisal District of Collin County, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

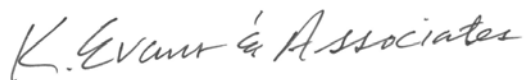
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Central Appraisal District of Collin County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



K. Evans & Associates, PLLC
Frisco, TX
April 21, 2021

Management's Discussion and Analysis

As management of the Central Appraisal District of Collin County, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2020. All amounts, unless otherwise indicated, are expressed in actual dollars.

Financial Highlights

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$22,377,034 (Net Position). Of this amount, \$15,330,117, (Unrestricted Net Position) may be used to meet the District's ongoing obligations to citizens and creditors.

The District's Total Net Position increased by \$3,981,241. The increase is mainly attributable to increased revenue, and decreased Unfunded Pension Buy Down for the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The business-type activity of the District is an appraisal service.

The government-wide financial statements include only the District itself (known as the primary government).

The government-wide financial statements can be found on pages 8-9 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The only fund of the District is a proprietary fund.

Proprietary Fund. The District maintains one proprietary fund. The proprietary fund is used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the appraisal service, which is considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 10-12 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-20 of this report.

Other Information. The individual fund statement provides a budgetary comparison statement for the proprietary fund. This statement can be found on pages 22-23 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$22,377,034 at the close of the most recent fiscal year.

A portion of the District's net position (31 percent) reflects its investment in capital assets (e.g. computers, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The remaining balance of *unrestricted net position* \$15,330,117 may be used to meet the governments ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the District is able to report positive balances in both categories of net position for the government as a whole.

COLLIN CENTRAL APPRAISAL DISTRICT – Net Position

	2020	2019
Current & Other Assets	\$ 20,769,564	\$ 16,961,552
Capital Assets	7,046,917	7,273,137
Total Assets	27,816,481	24,234,689
Deferred Outflows of Resources	2,000,344	4,463,896
Long-Term Liabilities	-	3,349,012
Other Liabilities	802,860	1,346,372
Total Liabilities	802,860	4,695,384
Deferred Inflows of Resources	6,636,931	5,607,408
Net Position:		
Net Investment in Capital Assets	7,046,917	4,379,480
Unrestricted	15,330,117	14,016,313
Total Net Position	\$ 22,377,034	\$ 18,395,793

COLLIN CENTRAL APPRAISAL DISTRICT - Change in Net Position

	2020	2019
Revenue:		
Program Revenue:		
Charges for Services	\$ 21,759,400	\$ 19,694,300
General Revenue:		
Investment Earnings	203,274	245,694
Miscellaneous	55,968	75,446
Total Revenue	22,018,642	20,015,440
Expense:		
Appraisal Service	17,737,401	17,078,711
Total Expense	17,737,401	17,078,711
Extraordinary Items:		
Buy Down of Unfunded Pension Costs	(300,000)	(400,000)
Increase (Decrease) in Net Position	3,981,241	2,536,729
Net Position - Beginning	18,395,793	15,859,064
Net Position - Ending	\$ 22,377,034	\$ 18,395,793

The following key elements influenced the changes in Net Position from the prior year:

Business-Type Activities

Business-type activities increased the District's Net Position by \$3,981,241.

Operating expenses increased by \$683,706 from the previous year. Salaries and Benefits increased by \$312,070.

Buy down of Unfunded Pension Costs decreased Net Position by \$300,000.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Proprietary Fund. The District's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Net Position of the Proprietary Fund at the end of the year amounted to \$22,377,034. The total increase in Net Position of the Proprietary Fund was \$3,981,241. The factors concerning the finances of this fund have already been addressed in the discussion of the District's business type activities.

Capital Assets & Debt Administration

Capital Assets: The District's investment in capital assets for its business-type activities as of December 31, 2020, amounts to \$7,046,917 (net of accumulated depreciation). This investment in capital assets includes computers, software, furniture, equipment, land, and building.

Major capital asset events during the current fiscal year included the following:

- Building improvement and remodeling of Customer Service and Mapping counters and foyer areas at a cost of \$101,774.

Additional information on the District's capital assets can be found on page 16 of the notes to the financial statements.

Long-term debt: During the current year, the District paid off the balance on the note payable in full. At the end of the current fiscal year, the District has no outstanding debt, which is a decrease of \$2,893,657 from the previous year.

Additional information on the District's long-term debt can be found on page 17 of the notes to the financial statements.

Economic Factors and Next Year's Budgets & Rates

- The 2021 adopted budget will increase by \$761,100 representing an increase of 3.34% compared to the 2020 budget.
- The 2021 designated funds utilized to buy down the budget is \$1,761,100, which is an increase of 76.11% over the 2019 budget buy down; therefore, leaving the actual funded budget the same as in 2020.
- Salary/wage expenses for 2021 fulltime and part-time line items are increasing a total of 3.33% to allow for salary/wage performance reviews and three (3) new fulltime positions. The new fulltime positions include: one support staff position, one Human Resources Manager position, and one appraisal staff position.
- Employee Group Insurance is budgeted to increase 14.53%.
- Employee Retirement cost is increasing by 9.64%.
- Retirement, Unfunded Liability & Retiree Cola Funding is budgeted to increase 33.33%.
- Auto Allowance is increasing by 1.32%.
- Building Loan Amortization was eliminated due to the building loan payoff in 2020.
- Legal services are budgeted to remain unchanged at \$1,800,000.
- Appraisal Review Board expenses, for hearing taxpayer protests, are budgeted to increase 4.00%.
- Telephone, Internet, and Data Cloud services is increasing by 7.69%.
- Supplies and Materials expenses are budgeted to increase 6.25%.
- Pictometry, the aerial photography service, is budgeted to increase by 43.33%.
- Professional Services is budgeted to increase by 21.43%.
- Computer Software Licensing & Subscriptions is budgeted to change from \$550,000 to \$600,000; an increase of 9.09%.
- Computer Software Maintenance costs are budgeted to decrease by 14.04%.
- Computer Hardware & Computer Equipment costs are budgeted to increase by 6.38%.
- Building Repair & Modifications and Building Maintenance costs are budgeted to remain unchanged.

All of these factors were considered in preparing the District's budget for the 2021 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Appraiser, 250 Eldorado Parkway, McKinney, Texas 75069.

FINANCIAL STATEMENTS

COLLIN CENTRAL APPRAISAL DISTRICT

Statement of Net Position

December 31, 2020

	<u>Primary Government</u> <u>Business-Type</u> <u>Activities</u>
Assets	
Cash & Cash Equivalents	\$ 16,078,312
Investments	501,502
Other Receivable	1,376,965
Prepaid Items	127,276
Land	1,387,232
Building	5,353,949
Computer Equipment	190,094
Furniture & Equipment	115,642
Net Pension Asset	2,685,509
Total Assets	<u>27,816,481</u>
Deferred Outflow of Resources	
Deferred Outflow Related to TCDRS	<u>2,000,344</u>
Total Assets & Deferred Outflow of Resources	<u>29,816,825</u>
Liabilities	
Accounts Payable	\$ 231,501
Accrued Wages Payable	148,283
Noncurrent Liabilities:	
Due Within One Year	423,076
Due in More than One Year	-
Total Liabilities	<u>802,860</u>
Deferred Inflow of Resources	
Payments for future Appraisal Service Rendered	5,556,700
Deferred Inflow Related to TCDRS	<u>1,080,231</u>
Total Deferred Inflows of Resources	<u>6,636,931</u>
Total Liabilities & Deferred Inflow of Resources	<u>7,439,791</u>
Net Position	
Net Investment in Capital Assets	7,046,917
Unrestricted	<u>15,330,117</u>
Total Net Position	<u>\$ 22,377,034</u>

The notes to the financial statements are an integral part of of this statement.

COLLIN CENTRAL APPRAISAL DISTRICTStatement of Activities
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenue Charges For Services	Net (Expense) Revenue and Changes in Net Position Primary Government Business-Type Activities
Primary Government:			
Business-Type Activities:			
Appraisal Service	\$ 17,737,401	\$ 21,759,400	\$ 4,021,999
Total Business-Type Activities	17,737,401	21,759,400	4,021,999
Total Primary Government	<u>\$ 17,737,401</u>	<u>\$ 21,759,400</u>	<u>4,021,999</u>
General Revenues:			
Unrestricted Investment Earnings			203,274
Miscellaneous Revenue			<u>55,968</u>
Total General Revenues			<u>259,242</u>
Extraordinary Items:			
Buydown of Pension Unfunded Actuarial Liability			<u>(300,000)</u>
Total Extraordinary Items			<u>(300,000)</u>
Change in Net Position			3,981,241
Net Position - Beginning			<u>18,395,793</u>
Net Position - Ending			<u>\$ 22,377,034</u>

The notes to the financial statements are an integral part of of this statement.

COLLIN CENTRAL APPRAISAL DISTRICT

Statement of Net Position

Proprietary Fund

December 31, 2020

Assets

Current Assets:

Cash & Cash Equivalents	\$ 16,078,312
Investments	501,502
Other Receivable	1,376,965
Prepaid Items	127,276
Total Current Assets	<u>18,084,055</u>

Noncurrent Assets:

Land	1,387,232
Building	7,462,092
Computer Equipment	895,816
Furniture & Equipment	844,783
Software	651,788
Less Accumulated Depreciation	(4,194,794)
Net Pension Asset	2,685,509
Total Noncurrent Assets	<u>9,732,426</u>

Total Assets	<u>27,816,481</u>
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Deferred Outflows of Resources

Deferred Outflow Related to TCDRS	<u>2,000,344</u>
-----------------------------------	------------------

Liabilities

Current Liabilities:

Accounts Payable	231,501
Accrued Wages Payable	148,283
Compensated Absences Payable	423,076
Total Current Liabilities	<u>802,860</u>

Total Liabilities	<u>802,860</u>
-------------------	----------------

Deferred Inflow of Resources

Payments for future Appraisal Service Rendered	5,556,700
Deferred Inflow Related to TCDRS	1,080,231
Total Deferred Inflows of Resources	<u>6,636,931</u>

Net Position

Net Investment in Capital Assets	7,046,917
Unrestricted - Designated	5,886,100
Unrestricted - Undesignated	9,444,017
Total Net Position	<u>\$ 22,377,034</u>

The notes to the financial statements are an integral part of of this statement.

COLLIN CENTRAL APPRAISAL DISTRICT
Statement of Revenue, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2020

	Business-Type Activities
Operating Revenues	
Local Support	\$ 21,759,400
Miscellaneous Revenue	55,968
Total Revenues	<u>21,815,368</u>
Operating Expenses	
Salaries	8,946,371
Overtime	96,346
Payroll Taxes	146,665
Auto Allowance	735,068
Workman's Compensation	49,978
Group Insurance	1,683,441
Employee Retirement	1,003,347
Aerial Photography	369,249
Appraisal Review Board	381,592
Audit & Accounting	13,030
Board of Directors Meeting	188
Building Maintenance & Repairs	168,112
Computer Maintenance	232,046
Contract Services	71,918
Equipment Repair & Maintenance	35,453
General Insurance	36,958
Legal Notices & Advertising	15,738
Legal Services	1,562,460
Postage	368,694
Professional Services	59,204
Registration & Dues	25,882
Rent-Equipment	56,102
Security	79,170
Supplies & Materials	366,104
Telephone, Internet, Data Cloud	195,361
Travel & Education	32,133
Utilities	81,531
Equipment & Software - Non-Capital	518,378
Depreciation	327,994
Total Operating Expenses	<u>17,658,513</u>
Operating Income (Loss)	4,156,855
Nonoperating Revenues (Expenses)	
Interest Income	203,274
Interest Expense	(78,888)
Total Nonoperating Revenues & Expenses	<u>124,386</u>
Extraordinary Items	
Buydown of Pension Unfunded Actuarial Liability	<u>(300,000)</u>
Change in Net Position	3,981,241
Net Position, January 1	<u>18,395,793</u>
Net Position, December 31	<u><u>\$ 22,377,034</u></u>

The notes to the financial statements are an integral part of of this statement.

COLLIN CENTRAL APPRAISAL DISTRICT

Statement of Cash Flows

Proprietary Fund

December 31, 2020

Cash Flows from Operating Activities:

Cash Received from Customers	\$ 20,888,061
Cash Paid to Suppliers	(7,470,144)
Cash Paid to Employees	(9,940,135)
Net Cash Provided by/(Used in) Operating Activities	<u>3,477,782</u>

Cash Flows from Capital and Financing Activities:

Acquisition of Capital Assets	(101,774)
Buydown of Actuarial Pension Liability	(300,000)
Principal Paid on Notes	(2,893,657)
Interest Paid on Debt	(175,682)
Net Cash Provided by/(Used in) Capital Activities	<u>(3,471,113)</u>

Cash Flows from Investing Activities:

Proceeds from Maturities of Investments	7,086,346
Purchase of Investments	(500,000)
Interest on Deposits	203,274
Net Cash Provided by/(Used in) Investing Activities	<u>6,789,620</u>

Net Increase/(Decrease) in Cash and Cash Equivalents 6,796,289

Cash and Cash Equivalents, Beginning of Year 9,282,023

Cash and Cash Equivalents, End of Year \$ 16,078,312

Reconciliation of Operating Income (Loss) to Net Cash Provided by/(Used in) Operating Activities

Operating Income (Loss) \$ 4,156,855

Adjustments to Reconcile Operating Income (Loss) to Net

Cash Provided by/(Used in) Operating Activities

Depreciation	327,994
(Increase)/Decrease in Other Receivables	(927,307)
(Increase)/Decrease in Prepaids	14,747
(Increase)/Decrease in Net Pension Asset	(2,685,509)
(Increase)/Decrease in Deferred Outflows of Resources	2,463,552
Increase/(Decrease) in Accounts Payable	100,749
Increase/(Decrease) in Wages Payable	(268,249)
Increase/(Decrease) in Compensated Absences Payable	105,899
Increase/(Decrease) in Net Pension Liability	(840,472)
Increase/(Decrease) in Deferred Inflows of Resources	1,029,523
Net Cash Provided by/(Used in) Operating Activities	<u><u>\$ 3,477,782</u></u>

The notes to the financial statements are an integral part of of this statement.

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Central Appraisal District of Collin County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

Reporting Entity

The Central Appraisal District of Collin County (District) is a political subdivision of the State of Texas created on January 1, 1980, by authority of the 1979 State Legislature, to provide uniform ad valorem appraisals to the various taxing entities within Collin County. Operations began on April 1, 1980. All cities, school districts, special districts such as hospitals, community college districts, etc. within Collin County which levy an ad valorem tax are required to fund the annual budget of the District. Senate Bill 621 specifies that the formula for determining each member's contribution to the District's budget will be based on the percent of tax levy each unit collects to the total tax levy of the county.

Government-Wide & Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. *Business-type activities* rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Interest and other items not properly included among program revenues are reported instead as *general revenues*.

Separate fund financial statements are provided for proprietary funds.

Measurement Focus, Basis of Accounting & Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The District has no governmental funds.

The District reports the following proprietary fund:

The *Proprietary fund* is used to account for those operations that are financed and operated in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The District's proprietary fund is for appraisal service.

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement Focus, Basis of Accounting & Financial Statement Presentation *(continued)*

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

Amounts reported as *program revenues* include charges to customers for services provided.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary fund are charges to customers for services. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities & Net Position or Equity

Deposits & Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity date within three months of the date acquired by the government. Other short-term investments are included in investments. Investments are stated at cost.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items.

Capital Assets

Property and equipment is recorded at cost. The District capitalizes all assets with a cost greater than \$5,000. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis beginning when the asset is placed in service as follows:

<u>Class of Property</u>	<u>Estimated Life</u>
Furniture and Equipment	5-20 Years
Building	10-40 Years
Computer Equipment	5 Years
Software	2-5 Years

Income Taxes

The District, a political subdivision of the State of Texas, is exempt from Federal Income Taxes.

Unearned Revenues

Unearned revenues represent payments by users for services to be rendered during the next fiscal year that were received by the District prior to the current year end.

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Assets, Liabilities & Net Position or Equity *(continued)*

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activity, or proprietary fund type statement of net position.

Designated Net Position

Designated Net Position represents tentative plans for future use of financial resources.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

STEWARDSHIP, COMPLIANCE & ACCOUNTABILITY

Budgetary Information

The District adopts an annual budget on the cash basis of accounting. This departs from accounting principles generally accepted in the United States of America by not budgeting depreciation expense and by budgeting for capital assets.

The budget process begins in April each year and the budget is formally approved by the Board in June for the following fiscal year. The budget was not amended during the year.

DEPOSITS & INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits, for safekeeping and trust with the District's agent bank, approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") Insurance.

At December 31, 2020, the District's bank balance was \$16,037,856. Of the bank balance, \$500,000 was covered by federal depository insurance and the remaining balance was covered by collateral held by the pledging financial institution's trust department or agent in the District's name.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

DEPOSITS & INVESTMENTS *(continued)*

Credit Risk is the risk that a security issuer may default on an interest or principal payment. The District is not exposed to credit risk for its investments.

Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution or counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover its deposits, value of its investments, or collateral securities that are in the possession of an outside party. The PFIA, the government's investment policy, and Government Code Chapter 2257 "Collateral for Public Funds" contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits and investments. The District is not exposed to custodial risk, as all funds are deposited and invested under terms of a depository contract with amounts greater than the FDIC insurance coverage protected by approved pledged securities held on behalf of the District.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. It is the District's policy to not allow for a concentration of credit risk. Investments issued by the U. S. Government and investments in investment pools are excluded from the 5 percent disclosure requirement. The government is not exposed to concentration of credit risk.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for the District's investment in external investment pools is less than 60 days.

Foreign Currency Risk is the potential for loss due to fluctuations in exchange rates. The District's policy does not allow for any direct foreign investments, and therefore the District is not exposed to foreign currency risk.

The District's investment balances at December 31, 2020 are:

Description	Carrying Amount	Fair Value
Certificates of Deposits	<u>\$ 501,502</u>	<u>\$ 501,502</u>

CAPITAL ASSETS

A summary of changes in capital assets follows:

	12/31/19	Additions	Retirements	12/31/20
Capital Assets Not Being Depreciated:				
Land	<u>\$ 1,387,232</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,387,232</u>
Total Capital Assets Not Being Depreciated	<u>1,387,232</u>	<u>-</u>	<u>-</u>	<u>1,387,232</u>
Capital Assets Being Depreciated:				
Building	7,360,318	101,774	-	7,462,092
Computer Equipment	895,816	-	-	895,816
Furniture & Equipment	844,783	-	-	844,783
Software	651,788	-	-	651,788
Less: Accumulated Depreciation	<u>(3,866,800)</u>	<u>(327,994)</u>	<u>-</u>	<u>(4,194,794)</u>
Total Capital Assets Being Depreciated	<u>5,885,905</u>	<u>(226,220)</u>	<u>-</u>	<u>5,659,685</u>
Total Capital Assets	<u>\$ 7,273,137</u>	<u>\$ (226,220)</u>	<u>\$ -</u>	<u>\$ 7,046,917</u>

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

COMPENSATED ABSENCES

A summary of changes in compensated absences follows:

	<u>12/31/19</u>	<u>Additions</u>	<u>Retirements</u>	<u>12/31/20</u>
Compensated Absences	<u>\$ 317,177</u>	<u>\$ 524,744</u>	<u>\$ (418,845)</u>	<u>\$ 423,076</u>

NOTES PAYABLE

On July 3, 2006, the District borrowed \$5,652,500 for a building purchase from American National Bank of Texas. The note bears interest at 3.5%, with annual payments of \$488,364 due effective July 1, 2013. On November 19, 2020, the balance on the note was paid in full. Interest expense for the year was \$78,888.

Note payable activity for the year ended December 31, 2020 was as follows:

	<u>Balance at 12/31/19</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at 12/31/20</u>	<u>Due Within One Year</u>
Building Note	<u>\$ 2,893,657</u>	<u>\$ -</u>	<u>\$ (2,893,657)</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 2,893,657</u>	<u>\$ -</u>	<u>\$ (2,893,657)</u>	<u>\$ -</u>	<u>\$ -</u>

Designated Net Position

Net Position has been designated for the following purposes:

	<u>Authorized Designations</u>	<u>Current Year Activity</u>	<u>Designated Balance</u>
Building Capital	<u>\$ 975,000</u>	<u>\$ -</u>	<u>\$ 975,000</u>
2019 Pension Liability, Per GASB 68	<u>840,472</u>	<u>(840,472)</u>	<u>-</u>
Pension Liability Reserve	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Litigation	<u>1,900,000</u>	<u>-</u>	<u>1,900,000</u>
Technology	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Software Development	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Ongoing Operations & Disaster Recovery	<u>350,000</u>	<u>-</u>	<u>350,000</u>
Insurance	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Building Note Payoff	<u>2,977,000</u>	<u>(2,977,000)</u>	<u>-</u>
2020 Budget Buy Down	<u>1,000,000</u>	<u>(1,000,000)</u>	<u>-</u>
2021 Budget Buy Down	<u>1,761,100</u>	<u>-</u>	<u>1,761,100</u>
Total Designated Net Position	<u>\$ 10,703,572</u>	<u>\$ (4,817,472)</u>	<u>\$ 5,886,100</u>

RETIREMENT PLAN

Plan Description - The District provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of nearly 800 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report on a calendar year basis. The annual financial report is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

RETIREMENT PLAN – Plan Description *(continued)*

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy - The employer has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The rates were 12.25% and 12.00% in calendar year 2020 and 2019, respectively. The contribution rate payable by the employee members is the rate of 7.00% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Annual Pension Cost - For the District's accounting year ended December 31, 2020, the annual pension cost for the TCDRS plan for its employees was \$626,952 and the District contributions were \$1,397,166.

The required contribution was determined as part of the December 31, 2019 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2019 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 4.9 percent. Both (a) and (b) included an inflation component of 2.75 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis.

Actuarial Valuation Information			
Actuarial Valuation Date	12/31/2017	12/31/2018	12/31/2019
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Actuarial Method	Level % Of Payroll, Closed	Level % Of Payroll, Closed	Level % Of Payroll, Closed
Remaining Amortization	0 Years	0 Years	0 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial Assumptions			
Investment Return*	8.00%	8.00%	8.00%
Projected Salary Increases*	4.90%	4.90%	4.90%
Inflation	2.75%	2.75%	2.75%

* Includes inflation at the stated rate.

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

RETIREMENT PLAN *(continued)*

Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of December 31, 2018	\$ 39,166,713	\$ 38,326,241	\$ 840,472
Changes for the year:			
Service cost	1,228,042	-	1,228,042
Interest	3,193,400	-	3,193,400
Change in benefit terms	-	-	-
Difference between expected/actual experience	266,539	-	266,539
Changes of assumptions	-	-	-
Contributions - employer	-	1,378,171	(1,378,171)
Contributions - employee	-	570,600	(570,600)
Net Investment Income	-	6,293,963	(6,293,963)
Benefit payments, including refunds of employee contributions	(1,978,642)	(1,978,642)	-
Administrative expenses	-	(33,958)	33,958
Other charges	-	5,186	(5,186)
Net changes	<u>2,709,339</u>	<u>6,235,320</u>	<u>(3,525,981)</u>
Balances as of December 31, 2019	<u>\$ 41,876,052</u>	<u>\$ 44,561,561</u>	<u>\$ (2,685,509)</u>

Sensitivity of the Net Pension Liability to Change in the Discount Rate - The following presents the net pension liability of the District, calculated using the discount rate of 8.1%, as well as what the District's net pension liability would have been if it were calculated using a discount rate that is 1 percentage point lower (7.1%) or 1 percentage point higher (9.1%) than the current rate.

	1% Decrease (7.1%)	Discount Rate (8.1%)	1% Increase (9.1%)
District's net pension liability (asset)	<u>\$ 2,459,141</u>	<u>\$ (2,685,509)</u>	<u>\$ (7,053,089)</u>

Pension Expense & Deferred Outflows of Resources - For the year ended December 31, 2020, the District recognized pension expense in the amount of \$1,303,420. At December 31, 2020, the District reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience (net of current year amortization)	\$ 368,260	\$ 61,965
Changes in actuarial assumptions	234,918	-
Differences between projected and actual investment earnings (net of current year amortization)	-	1,018,266
Contributions subsequent to the measurement date	<u>1,397,166</u>	<u>-</u>
Total	<u>\$ 2,000,344</u>	<u>\$ 1,080,231</u>

\$1,397,166 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

COLLIN CENTRAL APPRAISAL DISTRICT

Notes to Financial Statements
For the Year Ended December 31, 2020

RETIREMENT PLAN – Pension Expense & Deferred Outflows of Resources *(continued)*

Year ended December 31,	
2021	\$ (93,830)
2022	(169,283)
2023	257,873
2024	(516,237)
2025	44,424
Thereafter	-
	<u>\$ (477,053)</u>

EXTRAORDINARY ITEM

During the year, the District voluntarily reduced their unfunded pension liability by \$300,000.

EVALUATION OF SUBSEQUENT EVENTS

The District has evaluated subsequent events through April 21, 2021, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

COLLIN CENTRAL APPRAISAL DISTRICT

Statement of Revenues, Expenses and Changes in Fund Net Position

Budgeted and Actual – Proprietary Fund

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
OPERATING REVENUES				
Local Support	\$ 21,759,400	21,759,400	\$ 21,759,400	\$ -
Miscellaneous Revenue	-	-	55,968	55,968
Total Revenues	<u>21,759,400</u>	<u>21,759,400</u>	<u>21,815,368</u>	<u>55,968</u>
 OPERATING EXPENSES				
Salaries	10,576,300	10,576,300	8,946,371	1,629,929
Overtime	52,000	110,000	96,346	13,654
Payroll Taxes	153,900	153,900	146,665	7,235
Auto Allowance	758,000	758,000	735,068	22,932
Workman's Compensation	40,000	50,000	49,978	22
Group Insurance	2,196,000	2,196,000	1,683,441	512,559
Employee Retirement	1,299,800	1,299,800	1,003,347	296,453
Aerial Photography	300,000	300,000	369,249	(69,249)
Appraisal Review Board	625,000	625,000	381,592	243,408
Audit & Accounting	16,000	16,000	13,030	2,970
Board of Directors Meeting	7,000	7,000	188	6,812
Building Maintenance & Repairs	295,000	323,500	168,112	155,388
Computer Maintenance	327,000	327,000	232,046	94,954
Contract Services	90,000	90,000	71,918	18,082
Equipment Repair & Maintenance	45,000	45,000	35,453	9,547
General Insurance	45,000	45,000	36,958	8,042
Legal Notices & Advertising	37,000	37,000	15,738	21,262
Legal Services	1,800,000	1,800,000	1,562,460	237,540
Postage	450,000	450,000	368,694	81,306
Professional Services	140,000	140,000	59,204	80,796
Registration and Dues	45,000	45,000	25,882	19,118
Rent-Equipment	95,000	95,000	56,102	38,898
Security	165,000	165,000	79,170	85,830
Supplies and Materials	400,000	400,000	366,104	33,896
Telephone, Internet, Data Cloud	325,000	325,000	195,361	129,639
Travel and Education	175,000	175,000	32,133	142,867
Utilities	160,900	160,900	81,531	79,369
Non-Capital - Computer Equipment	235,000	235,000	226,375	8,625
Non-Capital - Computer Software	850,000	850,000	274,161	575,839
Non-Capital - Furniture & Equipment	65,000	65,000	17,842	47,158
Miscellaneous Expense	500	500	-	500
Contingency	<u>200,000</u>	<u>103,500</u>	<u>-</u>	<u>103,500</u>
Total Expenses	<u>21,969,400</u>	<u>21,969,400</u>	<u>17,330,519</u>	<u>4,638,881</u>
 Operating Income (Loss)	<u>(210,000)</u>	<u>(210,000)</u>	<u>4,484,849</u>	<u>4,694,849</u>

COLLIN CENTRAL APPRAISAL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Budgeted and Actual – Proprietary Fund
For the Year Ended December 31, 2020
(Continued)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
NONOPERATING REVENUES & EXPENSES				
Interest Income	-	-	203,274	203,274
Interest Expense	(490,000)	(490,000)	(78,888)	411,112
Total Nonoperating Revenues	(490,000)	(490,000)	124,386	614,386
EXTRAORDINARY ITEM				
Buy Down of Pension Unfunded Actuarial Liability	(300,000)	(300,000)	(300,000)	-
Changes in Net Position	(1,000,000)	(1,000,000)	4,309,235	5,309,235
Net Position, Beginning	18,395,793	18,395,793	18,395,793	
Net Position, Ending	<u>\$ 17,395,793</u>	<u>17,395,793</u>	<u>\$ 22,705,028</u>	<u>\$ 5,309,235</u>

Budget/GAAP Reconciliation

The following schedule reconciles the amounts of the Statement of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual amounts to the amounts on the Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund:

Net Position (Budget)	\$ 22,705,028
Depreciation	(327,994)
Net Position (GAAP)	<u>\$ 22,377,034</u>

COLLIN CENTRAL APPRAISAL DISTRICT
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended December 31, 2020

	Plan Year Ended December 31,		
	2019	2018	2017
Total Pension Liability			
Service cost	\$ 1,228,042	\$ 1,210,442	\$ 1,100,051
Interest (on the total pension liability)	3,193,400	2,973,543	2,735,976
Changes of benefit terms	-	271,383	-
Difference between expected and actual experience	266,539	24,590	227,064
Change of assumptions	-	-	288,228
Benefit payments, including refunds of employee contributions	(1,978,642)	(1,595,367)	(1,464,728)
Net Change in Total Pension Liability	<u>2,709,339</u>	<u>2,884,591</u>	<u>2,886,591</u>
Total Pension Liability - Beginning	<u>39,166,713</u>	<u>36,282,122</u>	<u>33,395,531</u>
Total Pension Liability - Ending (a)	<u>\$ 41,876,052</u>	<u>\$ 39,166,713</u>	<u>\$ 36,282,122</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 1,378,171	\$ 1,352,077	\$ 2,504,666
Contributions - employee	570,600	533,163	495,639
Net investment income	6,293,963	(719,110)	4,765,385
Benefit payments, including refunds of employee contributions	(1,978,642)	(1,595,366)	(1,464,728)
Administrative expense	(33,958)	(30,784)	(25,786)
Other	5,186	12,531	20,336
Net Change in Plan Fiduciary Net Position	<u>6,235,320</u>	<u>(447,489)</u>	<u>6,295,512</u>
Plan Fiduciary Net Position - Beginning	<u>38,326,241</u>	<u>38,773,730</u>	<u>32,478,218</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 44,561,561</u>	<u>\$ 38,326,241</u>	<u>\$ 38,773,730</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (2,685,509)</u>	<u>\$ 840,472</u>	<u>\$ (2,491,608)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.41%	97.85%	106.87%
Covered Employee Payroll	\$ 8,151,427	\$ 7,616,616	\$ 7,080,551
Net Pension Liability as a Percentage of Covered Employee Payroll	-32.95%	11.03%	-35.19%

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,059,166	\$ 997,345	\$ 904,660
2,520,480	2,561,819	2,375,841
-	(2,951,134)	-
(74,285)	(223,224)	54,437
-	421,295	-
<u>(1,388,158)</u>	<u>(1,187,991)</u>	<u>(1,103,647)</u>
2,117,203	(381,890)	2,231,291
<u>31,278,328</u>	<u>31,660,218</u>	<u>29,428,927</u>
<u>\$ 33,395,531</u>	<u>\$ 31,278,328</u>	<u>\$ 31,660,218</u>
\$ 942,682	\$ 979,369	\$ 923,493
447,815	408,658	377,997
2,235,667	(550,810)	1,914,871
(1,388,158)	(1,187,991)	(1,103,647)
(24,281)	(21,841)	(22,756)
<u>64,986</u>	<u>66,973</u>	<u>(127,224)</u>
2,278,711	(305,642)	1,962,734
<u>30,199,507</u>	<u>30,505,149</u>	<u>28,542,415</u>
<u>\$ 32,478,218</u>	<u>\$ 30,199,507</u>	<u>\$ 30,505,149</u>
<u>\$ 917,313</u>	<u>\$ 1,078,821</u>	<u>\$ 1,155,069</u>
97.25%	96.55%	96.35%
\$ 6,397,353	\$ 5,837,971	\$ 5,399,957
14.34%	18.48%	21.39%

COLLIN CENTRAL APPRAISAL DISTRICTSchedule of Pension Contributions
For the Year Ended December 31, 2020

	Fiscal Year Ended December 31,		
	2020	2019	2018
Actuarially determined contribution	\$ 1,397,166	\$ 1,378,171	\$ 1,352,077
Contributions in relation to actuarially determined contribution	<u>(1,397,166)</u>	<u>(1,378,171)</u>	<u>(1,352,077)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 8,956,454	\$ 8,151,427	\$ 7,616,616
Contributions as a percentage of covered employee payroll	15.60%	16.91%	17.75%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 2,504,665	\$ 942,683	\$ 979,369
<u>(2,504,665)</u>	<u>(942,683)</u>	<u>(979,369)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,080,551	\$ 6,397,353	\$ 5,837,971
35.37%	14.74%	16.78%

K.

Designated Budget Reserve Funds



Collin Central Appraisal District

May 19, 2021

TO: Board of Directors

FROM: Bo Daffin, Chief Appraiser *Bo Daffin*

RE: Designation of Budget Reserve Funds

Based on discussions during the budget process and information from our year-end 2020 Audit, the following is my recommendation for the designation of reserve funds below the line.

<u>DESIGNATED FUNDS</u>	<u>\$ AMOUNT</u>
Building Capital	3,100,000
Litigation	1,500,000
Litigation (Court Ordered Attorney Fees)	300,000
Technology (Hardware, Software & Cloud)	350,000
Ongoing Operations & Disaster Recovery	400,000
Insurance	200,000
TCDRS Pension Liability Reserve	6,014,759
2021 Budget Buy Down	1,761,100
2022 Budget Buy Down	1,700,000
TOTAL DESIGNATED FUNDS	\$15,325,859
TOTAL UNDESIGNATED FUNDS	\$4,258
GRAND TOTAL RESERVE, (SUM OF DESIGNATED AND UNDESIGNATED FUNDS)	\$15,330,117
Committed Funds: TCDRS Pension Liability, 2021 Budget Buy Down and 2022 Budget Buy Down	-9,475,859
GRAND TOTAL RESERVE FUNDS AVAILABLE FOR EXPENDITURE, WITH BOARD APPROVAL	\$5,854,258

Attachment: Net Position summary from year-end 2020 Audit, page 4, showing Net Position Unrestricted of \$15,330,117.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-20 of this report.

Other Information. The individual fund statement provides a budgetary comparison statement for the proprietary fund. This statement can be found on pages 22-23 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$22,377,034 at the close of the most recent fiscal year.

A portion of the District's net position (31 percent) reflects its investment in capital assets (e.g. computers, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The remaining balance of *unrestricted net position* \$15,330,117 may be used to meet the governments ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the District is able to report positive balances in both categories of net position for the government as a whole.

COLLIN CENTRAL APPRAISAL DISTRICT – Net Position

	2020	2019
Current & Other Assets	\$ 20,769,564	\$ 16,961,552
Capital Assets	7,046,917	7,273,137
Total Assets	27,816,481	24,234,689
Deferred Outflows of Resources	2,000,344	4,463,896
Long-Term Liabilities	-	3,349,012
Other Liabilities	802,860	1,346,372
Total Liabilities	802,860	4,695,384
Deferred Inflows of Resources	6,636,931	5,607,408
Net Position:		
Net Investment in Capital Assets	7,046,917	4,379,480
Unrestricted	15,330,117	14,016,313
Total Net Position	\$ 22,377,034	\$ 18,395,793



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 # 2021-1097

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 hereby designates the following budget reserve funds below-the-line, as individually listed below, effective May 27, 2021.

BUDGETED RESERVE FUNDS

<u>DESIGNATED FUNDS</u>	<u>\$ AMOUNT</u>
Building Capital	3,100,000
Litigation	1,500,000
Litigation (Court Ordered Attorney Fees)	300,000
Technology (Hardware, Software & Cloud)	350,000
Ongoing Operations & Disaster Recovery	400,000
Insurance	200,000
TCDRS Pension Liability Reserve	6,014,759
2021 Budget Buy Down	1,761,100
2022 Budget Buy Down	1,700,000
TOTAL DESIGNATED FUNDS	\$15,325,859
TOTAL UNDESIGNATED FUNDS	\$4,258
GRAND TOTAL RESERVE, (SUM OF DESIGNATED AND UNDESIGNATED FUNDS)	\$15,330,117

Committed Funds: TCDRS Pension Liability, 2021 Budget Buy Down and 2022 Budget Buy Down	-9,475,859
GRAND TOTAL RESERVE FUNDS AVAILABLE FOR EXPENDITURE, WITH BOARD APPROVAL	\$5,854,258

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.

**Depository Contract
American National Bank**



Collin Central Appraisal District

May 11, 2021

TO: Board of Directors

FROM: Robert Waldrop, Deputy Chief Appraiser

RE: **Depository Contract Extension**

Texas Property Tax Code Section 6.09 details requirements for the District's depository. Our current contract with American National Bank (ANB) runs through August 31, 2021. The Tax Code allows for the board and depository to agree to extend a depository contract for one additional two-year period.

At the Board's April 22, 2021 meeting, the Board granted authorization to initiate contract extension negotiations with ANB for the two-year extension period. After consulting with ANB, they have given their approval of the attached draft extension agreement.

This two-year extension will cover our depository requirements through August 31, 2023. We would ask for the Board's approval to sign this depository extension with American National Bank.

A handwritten signature in blue ink, reading "Robert L. Waldrop", is positioned above the typed name.

Robert L Waldrop, RPA, CCA
Deputy Chief Appraiser, Business Operations



Collin Central Appraisal District

XXXXXX, 2021

The American National Bank of Texas
Mr. Greg Jebsen, Municipal Finance Director – Assistant Vice President
102 West Moore Avenue
Terrell, Texas 75160

RE: Collin Central Appraisal District, McKinney, Texas Depository Services Contract Extension – Delivered via U.S. Postal and emailed to greg.jebsen@anbtx.com

Dear Mr. Jebsen:

The expiration of the initial two-year term of the Depository Services Agreement is August 31, 2021. The District is opting to exercise the one (1) two-year contract extension option provided for in the Agreement to extend the term through August 31, 2023. The original interest rate terms were modified by mutual written agreement on June 3, 2020. The terms for this extension will be governed by the original depository agreement and the modification dated June 3, 2020.

To confirm the Bank's acceptance of this contract extension, please complete the section below and return a copy of this letter to me.

We have appreciated our business relationship with you and the Bank over the initial term of the current depository contract and look forward to the extended term.

Should you have any questions or need additional information or explanation, please contact me at 469.742.9323.

Sincerely,

Robert L. Waldrop, RPA, CCA
Deputy Chief Appraiser, Business Operations
Collin Central Appraisal District
McKinney, Texas

THE AMERICAN NATIONAL BANK OF TEXAS

ACCEPTED BY: _____ DATE: _____

PRINTED NAME: _____ TITLE: _____

cc: The American National Bank of Texas
Ms. Colleen Biggerstaff, Banking Center Manager
720 South Greenville
Allen, Texas 75002 via email colleenbiggerstaff@anbtx.com

M.

Policy #107



Collin Central Appraisal District

POLICY NUMBER: 107

POLICY NAME: APPRAISAL DISTRICT BUDGET

The Board shall consider and approve an annual budget for the following year by September 15th of the current year. The Board will conduct a budget workshop(s) beginning as early as March each year in conjunction with the Board's regular/special monthly board meeting. The Chief Appraiser shall prepare a preliminary proposed budget and present it to the Board during their budget workshop and provide information for the Board's consideration of his preliminary budget. At the conclusion of the Board's budget workshop(s), but prior to June 15th, the Chief Appraiser will deliver a copy of his final proposed budget to the taxing units and the Board of Directors. The Board of Directors will hold a public hearing, separate from but in conjunction with a regular/special monthly meeting between June 15th and August 31st, to consider the Chief Appraiser's proposed budget, make their desired amendments, and finally approve the budget. Prior to the budget hearing, the required written notice regarding the time, date and place of the hearing must be provided to the presiding officer of each taxing unit, as mandated by statute. The Chief Appraiser will allocate the budget cost and send quarterly statements to the taxing units, as mandated by statute. It is further the budget policy of the Board of Directors of the Collin Central Appraisal District, to address the District's long-term budgetary obligations, that in the event the District's operations are assumed by a different agency

and the assuming agency does not also assume the full liability (funded and unfunded) in the Collin Central Appraisal District's Texas County District Retirement System (TCDRS) plan; or the District ceases to operate for any reason, the Board shall allocate assets, current budget funds, and budget reserve funds toward securing the District's unfunded liability in the Texas County District Retirement System (TCDRS). The District's pension liability, under the ceasing of operations scenario, will include reporting under special request by the District, at least once every three years, from TCERS. The chief appraiser will present a target "funded ratio" and/or the amount of a specific designated reserve line item to address the District's liability in a "cease of operations" scenario to the board, as a part of the budgeting process. If the District does not have the unrestricted funds available to cover 100% of its cease of operations pension liability calculated by TCERS, the chief appraiser must provide a report regarding the available funds, including the percentage of liability covered by the chief appraiser's recommended designation of funds. This budget policy should be read in conjunction with the District's "Budget Surplus Policy", to understand the overall budget concept of the Board of Directors.

Property Tax Code Section: 6.06

Date Adopted: September 24, 2009

Resolution #: 2009-8

Date Amended: May 27, 2021

Resolution #: 2021-63

N.

Policy #108



Collin Central Appraisal District

POLICY NUMBER: 108

POLICY NAME: BUDGET SURPLUS

It is the policy of the Board of Directors of the Collin Central Appraisal District that if, (1) the total amount of payments made and/or due to be paid each year by the taxing units participating in a given budget year exceeds the amount actually spent or obligated to be spent during such budget year for which the payments were made, and/or (2) a fund balance is created in a given budget year due to total expenses for overall operation of the District being less than the budget for that year, the excess amount from scenario (1) and/or (2) shall, prior to or concurrent with the end of such budget year, be automatically appropriated to the Budget Reserve Fund within the Appraisal District Budget. Budget Reserve Funds can only be spent with approval by the Board of Directors.

Additionally, the Board of Directors shall review the "Budgeted Reserve Funds" annually, as a part of the budget process based on the year-end audit, and determine the amount of funds to designate as reserve line items (i.e. building capital, litigation, technology, ongoing operations & disaster planning, pension liability from the most recent audit report, **and/or unfunded liability report from the Texas County District Retirement System (TCDRS), and/or cease of operations analysis report from the Texas County District Retirement System (TCDRS)**, retiree future COLA cost offset or other categories as determined by the Board). Excess funds remaining after the designation of "Budget Reserve Funds" by the Board shall be returned to the taxing units in the form of a budget buy down for the following budget year.

Property Tax Code Section: 6.06

Date Adopted: September 24, 2009

Resolution #: 2009-9

Date Amended: **May 27, 2021**

Resolution #: **2021-62**

O.

Engage Architect



Collin Central Appraisal District

May 20, 2021

TO: Board of Directors

FROM: Bo Daffin, Chief Appraiser *Bo Daffin*

RE: Engaging Architect

I am requesting your permission to engage GSO Architects to assist us with building expansion and renovation plans.

- Finish-out shell space in Northeast corner of the building for occupancy by Administration.
- Expand GIS/Mapping department into existing Administration office area, in Southeast corner of the building.
- Expand Customer Service department into west section of office now occupied by GIS/Mapping.

This will enable us to timely start the project early enough for completion in the spring of 2022. We need to begin space planning and preliminary plans soon.

REPORTS



Collin Central Appraisal District

MEMO

TO: Board of Directors

FROM: Michele Lake, Taxpayer Liaison Officer

RE: Monthly Status Report

DATE: May 18, 2021

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



Collin Central Appraisal District

May 21, 2021

TO: Board of Directors

FROM: Stephanie Cave-Bernal, Deputy Chief, ARB, Agents & Research

RE: 2021 Protest Report

April 15, 2021 our print vendor mailed 384,360 real property notices to property owners and property tax agents. The deadline to file a protest was May 17, 2021.

- There have been 75,694 protests filed as of May 21, 2021, which is down 7% from 2020.
- The total assessed value of the properties under appeal is approximately \$73 billion or 37% of the appraisal roll.
- 21,940 Business Personal Property notices were mailed May 12, 2021.
- As required by Texas Property Tax Code Section 25.22, Mr. Daffin will submit the 2021 Real Property Records to the ARB on May 24, 2021. The Business Personal Property records are scheduled to be turned over to the ARB on June 28, 2021.
- ARB hearings are scheduled to run from May 24th and go through July 9th.
- Target date for the ARB to approve the records is July 9, 2021.

COLLIN CENTRAL APPRAISAL DISTRICT

2021 INQUIRY / PROTEST / HEARING STATS

May 21, 2021	2016	2017	2018	2019	2020	2021	2021 MORE INFO
<u>INQUIRY STATS</u>							<i>Per Day</i>
PHONE	1,721	2,041	2,142	2,519	1,014	498	125
CHANGE FROM PRIOR YR	-15.55%	18.59%	4.95%	17.60%	-59.75%	-50.89%	
COUNTER (INCLUDES KIOSK)	9,785	10,130	11,791	13,198	332	205	51
TOTAL INQUIRIES	11,506	12,171	13,933	15,717	1,346	703	-643
CHANGE FROM PRIOR YR	23.75%	3.53%	16.40%	11.93%	-97.48%	-38.25%	<i>less inquiries</i>
<u>EFILE PROTEST STATS</u>							
ELIGIBLE PROPERTIES	226,085	247,676	252,678	259,816	315,655	324,015	
EFILE PROTESTS	11,885	16,978	17,561	20,592	21,953	20,888	
CHANGE FROM PRIOR YR	0.53%	42.85%	3.43%	17.26%	6.61%	-4.85%	
% OF EFILE TO ELIGIBLE	5.26%	6.85%	6.95%	7.93%	6.95%	6.45%	
<u>PROTEST STATS</u>							
TAXPAYER PROTESTS	22,541	27,534	27,263	30,024	29,896	25,408	
AGENT PROTESTS	30,771	38,832	44,930	48,908	51,832	50,286	
TOTAL PROTESTS	53,312	66,366	72,193	78,932	81,728	75,694	(6,034)
CHANGE FROM PRIOR YR	24.88%	24.49%	8.78%	9.33%	3.54%	-7.38%	<i>less protests</i>
<u>ARB HEARING STATS</u>							
TAXPAYER HEARINGS	4,561	3,833	4,924	6,482	4,426	-	
WITHDRAWALS-PFWD	976	518	760	1,136	579	609	
S&W's	12,363	15,774	17,697	12,717	17,222	9,450	
NO-SHOWS	5,981	4,114	7,350	7,913	5,548	-	
PHONE HEARINGS (ALL)	-	-	9	8	6,406	-	
AGENT HEARINGS	6,455	8,998	11,197	13,653	18,898	-	
WITHDRAWALS-PFWD	7,815	7,966	9,108	12,501	10,366	76	
S&W's	12,270	16,339	16,946	18,912	19,271	1,063	
NO-SHOWS	3,398	3,937	5,284	1,908	1,384	-	
SUMMARY AFF HEARINGS	-	-	6,374	7,793	-	-	
TOPLINES	-	-	-	-	14,331	-	
TOTAL HEARINGS	11,016	12,831	16,121	20,135	23,324	-	
CHANGE FROM PRIOR YR	40.98%	16.48%	25.64%	24.90%	15.84%		
TOTAL NO-SHOW RATE	45.99%	38.55%	43.94%	32.78%	22.91%		

Yr-over-Yr
(6,034)
less protests

ARB Hearings

*of protests
had a hearing*



Collin Central Appraisal District

May 14, 2021

TO: Board of Directors

FROM: Robert Waldrop, Deputy Chief Appraiser

RE: **Farmersville ISD Property Value Study Appeal - Update**

The following is an update to the District's 2020 Property Value Study appeal of Farmersville ISD to the Comptroller's Office. Our final appeal documentation was submitted on March 25, 2021. We received the following results of the appeal on May 12, 2020. After the appeal, we continue to be below the state's lower limit of value. We have 15 calendar days, by May 27th, to reply to PTAD's recommendations, either agreeing with the results or continuing the appeal process. The next steps in the appeal process would be an informal conference with PTAD staff and referral to SOAH (State Office of Administrative Hearings).

	PTAD'S CONFIDENCE INTERVAL	CCAD'S VALUE	DIFFERENCE FROM PTAD'S LOWER C.I.
PRELIMINARY PVS RESULTS	753,802,228 - 833,149,832	732,809,157	20,993,071
RESULTS AFTER APPEAL (5-12-21)	740,922,245 - 818,914,061	732,809,157	8,113,088

Robert L Waldrop, RPA, CCA
Deputy Chief Appraiser, Business Operations