



Collin Central Appraisal District

July 3, 2019

Monika Arris, Director of Budget & Finance
Collin County
2300 Bloomdale Rd., Suite 4100
McKinney, TX 75071

Dear Ms Arris:

The Board of Directors adopted the District's 2020 budget at their meeting on June 27, 2019. The purpose of this letter is to advise our member entities, specifically non-school districts, that HB 3 will cause a compression of most school's M&O tax rate. This in turn will affect the levy generated by schools, which will impact budget share calculations.

On June 13, 2019, I sent a cover letter with our 2020 proposed budget, including the estimated budget share for each of our member entities. Based on the compression of 2019 school tax rates, the amount payable by non-schools will likely increase 3% to 4% above my earlier projection.

State law requires that the Central Appraisal District be funded by all taxing jurisdictions in Collin County, based on a calculation of each jurisdiction's tax levy as it compares to the amount of taxes levied by all jurisdictions in total. Your actual share of the 2020 budget will not be available until the 2019 appraisal roll is certified, all taxing jurisdictions adopt their 2019 tax rate and we see the result of school M&O rate compression under HB 3. At that point, we will calculate the actual share for each taxing entity and generate a billing notice outlining your 2020 amount due.

Projecting final taxable values, tax rates and the levy of our entities within 2 to 3 percent is impossible today, but I wanted to be proactive in advising you about changes that will likely impact the final budget share calculations.

Please contact me at your earliest convenience should you have questions or comments.

Sincerely,

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

Bo Daffin, CCA, RPA, CTA
Chief Appraiser