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, 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: June 22, 2017

Resolution #: 2017-42