



**Angelina County Appraisal District**  
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**ANGELINA COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS**  
**POLICY MANUAL**

**ADOPTED: JANUARY 13, 2011**

LOCAL GOVERNANCE  
BOARD OF DIRECTORS POLICY MANUAL

These rules may be altered, amended, or repealed and new rules adopted by the board at any meeting of the board at which a quorum is present, provided notice of the proposed alteration is contained in the notice of the meeting.

STATUTORY STATUS      The appraisal district is governed by a board of directors. *Tax Code Section 6.03*

LOCAL STATUS      A board of ten directors, including ex-officio member Tax Assessor-Collector, governs the appraisal district. Board members select the Chief appraiser, adopt the annual district budget, appoint the chair and secretary of the ARB, and ensure that the district follows policies and procedures set by law. The board does not appraise property or make decisions that affect the appraisal records. Members of the board may not discuss appraisal matters with the chief appraiser except in open meetings or other forms or in closed meetings held for the purpose of discussing pending litigation.

AUTHORITY OF THE  
BOARD: STATUTORY  
DUTIES

I.      ESTABLISHMENT  
         OF AN  
         APPRAISAL  
         OFFICE      Except as authorized by Subsection (b) of this Section, each appraisal district shall establish an appraisal office. The appraisal office must be located in the county for which the district is established. An appraisal district may establish branch appraisal offices outside the county for which the district is established. *Tax Code Section 6.05 (a)*

         APPRAISAL  
         OFFICE (LOCAL)      The administrative offices of the district are located on 418 N. Second Street, Lufkin, Texas. The board approves all contracts for office space. The district's normal business hours are from 8:00 a.m. to 5:00p.m., Monday through Friday. Departments involved in public contact must maintain personnel during these hours. The board and the chief appraiser periodically review office space requirements, lease arrangements, and other requirements related to the establishment of appraisal district offices.

II.      APPOINTMENT  
         OF CHIEF  
         APPRAISER      The chief appraiser is the chief administrator of the appraisal office. The chief appraiser is appointed by and serves at the pleasure of the appraisal district board of directors. *Tax Code Section 6.05(c)*  
                                 *See Appendix A& B*

         CHIEF APPRAISER  
         VACANCY (LOCAL)      In the event a vacancy occurs in the office of the chief appraiser, the Deputy Chief Appraiser shall exercise the responsibilities of the chief appraiser until the board can meet to designate an interim chief appraiser, who shall coordinate the search for a replacement with the board. In the event of the chief appraiser's retirement or resignation, the board and the incumbent chief appraiser shall coordinate the search for a replacement. The chairman may ap-

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point members of the board to serve as a search committee, and may retain outside assistance as it deems necessary to recruit the best possible candidate.

See Appendix C

EVALUATION  
(LOCAL)

The chief appraiser is evaluated annually by the board of directors.

See Appendix D

III. APPROVAL OF  
BUDGET  
TAX CODE  
SECTION 6.06

Each year the chief appraiser shall prepare a proposed budget for the operations of the district for the following tax year and shall submit copies to each taxing unit participating in the district and to the district board of directors before June 15. *Tax Code Section 6.06 (a)*

The board of directors shall hold a public hearing to consider the budget. The board shall complete its hearings, make any amendments to the proposed budget it desires, and finally approve a budget before September 15. *Tax Code Section 6.06 (b)*

Each taxing unit participating in the district is allocated a portion of the amount of the budget equal to the proportion that the total dollar amount of property taxes imposed in the district by the unit for the tax year in which the budget proposal is prepared bears to the sum of the total dollar amount of property taxes imposed in the district by each participation taxing unit. Unless the governing body of a unit and the chief appraiser agree to a different method of payment, each taxing unit shall pay its allocation in four equal payments to be made at the end of each calendar quarter, and the first payment shall be made before January 1 of the year in which the budget takes effect. A payment is delinquent if not paid on the date it is due. A delinquent payment incurs a penalty of 5% of the amount of the payment and accrues interest at an annual rate of 10%. *Tax Code Section 6.06*

Once the board adopts a budget, expenditures in excess of the total budget require budget amendment in the manner provided by Section 6.06 of the Tax Code. Fund transfers that do not increase the total amount of the budget are not considered budget amendments. The board approves transfers of unencumbered balances between accounts in amounts exceeding \$10,000. The board has authorized the chief appraiser to transfer unencumbered balances between accounts in amounts of \$10,000 or below.

UNOBLIGATED  
FUNDS (LOCAL)

It is the policy of the Board of Directors of the Angelina County Appraisal District that if the total amount of payments made and/or due to be paid each year by the taxing units participating in a given fiscal year exceeds the amount actually spent or obligated to be spent during such fiscal year for which the payments were

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made, said surplus funds shall be refunded to the entities in accordance with state law.

*PUBLIC HEARING  
AND  
PUBLICATION OF  
BUDGET*

The Board of Directors must hold a public hearing, subject to the requirements of the Open Meetings Act, to consider the budget. This hearing gives taxing units and the public an opportunity to observe and comment on how funds are being spent.

The law does not require the Board to hold the hearing on a specific date, but the budget must be finally approved before September 15. The September 15 date permits taxing units participating in the District to include their share of Appraisal District cost in their own budgets.

Before the Board holds the budget hearing the Board's Secretary must deliver to the presiding officer of the governing body of each taxing unit in the District written notice of the date, time and place of the hearing. The Secretary must deliver this notice no later than the 10<sup>th</sup> day before the date of the budget hearing.

No later than 10 days before the public hearing date, the Chief Appraiser must publish a notice of the hearing in the newspaper. The one-quarter page notice must be published in a newspaper or tabloid of general circulation in the Appraisal District's county. The notice may not be published in the part of the paper in which legal notices and classified advertisements appear.

Comptroller Rule 9.3048 sets out the content of the notice. The notice must state where and when the public hearing will be held, the total amount of the proposed budget, the amount of the proposed budget is increased from the current year, the number of employees compensated under the current budget and the number to be compensated under the proposed budget. The notice must also state the name, address and telephone number of the Appraisal District and, at the Chief Appraiser's option, a statement.

IV. ANNUAL  
FINANCIAL AUDIT  
TAX CODE  
SECTION 6.063

At least once each year, the board of directors of an appraisal district shall have prepared an audit of its affairs by an independent certified public accountant or a firm of independent certified public accountants. *Tax Code Section 6.063 (a)*

The report of the audit is public record. A copy of the report shall be delivered to the presiding officer of the governing body of each taxing unit eligible to vote on the appointment of district directors and a reasonable number of copies shall be available for inspection at the appraisal office. *Tax Code Section 6.063 (b)*

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- V. DESIGNATION OF DEPOSITORY  
TAX CODE  
SECTION 6.09
- The appraisal district board of directors shall designate as the district depository the financial institution or institutions that offer the most favorable terms and conditions for the handling of the district's funds. *Tax Code Section 6.09 (b)*
- The board solicits bids for the district depository at least once every two years. In choosing a depository, the board selects the institution(s) that offer the most favorable terms and conditions for the handling of district funds. Funds must be secured in the manner provided by law for county funds. The board and the depository may agree to extend a depository contract for one additional two-year period. (Section 6.09, Property Tax Code)
- The Appraisal District shall deposit its funds with its depository bank vendor in accounts insured by the Federal Deposit Insurance Corporation. In the event that the District has more money than can be insured by the FDIC, the District shall invest that money in accordance with the approved investment tools of Tex. Gov't Code § 22.56.009 et seq.
- VI. PURCHASING AND CONTRACTING  
TAX CODE  
SECTION 6.11
- An appraisal district is subject to the same requirements and has the same purchasing and contracting authority as a municipality under *Chapter 252, Local Government Code*.
- Some of the key provisions of this law include:
- The district cannot make a contract requiring expenditure of \$50,000 or more unless it follows one of the methods specified in the code. These include competitive sealed bids, reverse auctions, and various exceptions.
- For any expenditure of more than \$3,000 but less than \$50,000, the CAD must contact at least two historically underutilized businesses on a rotating basis.
- Exceptions to the expenditure requirements include:
- Response to calamity
  - Response to unforeseen damage to public property, machinery or equipment
  - Procurement of personal, professional, or planning services
  - Work that is performed and paid for by the day as the work progresses
  - Purchase of land or right of way
  - Purchase of items available from only one source

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- Purchases at auction, under inter-local contracts, through the Texas Procurement Commission, and various other exceptions

PURCHASING  
POLICIES  
(LOCAL)

Angelina County Appraisal District does not incorporate purchase orders in its business practices. All purchases are coordinated through the Chief Appraiser and the Administrative Assistant.

The Administrative Assistant collects invoices throughout the month and verifies them with their records. After collection and verification of invoices the Chief Appraiser approves the invoices, checks are written and then signed by the Chief Appraiser. On a monthly basis the administrative assistant monitors the spending compared to the budget and makes sure all expenditures are within the set limits.

Purchases at ACAD can be considered in several different categories: routine office supplies, as-needed purchases, specialized purchases, and major purchases.

Before purchasing any item of five thousand dollars (\$5,000) or more the district shall advertise for bids and submit the bids to the board of directors for consideration. Professional services are not required to be bid but must be submitted to the board of directors for prior approval.

The board of directors shall consider all contracts to which the district is a party, assuming the contract is for an expenditure of \$5,000.00 or greater or is not for a budgeted expenditure. The board of directors shall approve settlement of lawsuits involving value reductions of \$50,000,000.00 or greater, resulting in tax refunds of \$100,000.00 or more, or payment of attorney fees of \$20,000.00 or more.

*CHECKS*

All checks require two signatures. The chief appraiser and administrative assistant are authorized to sign all payroll check and any other checks, up to an amount of \$1,500. Checks exceeding \$1,500 must be signed by the board chairman or other board member assigned by the chairman.

*ROUTINE OFFICE  
SUPPLIES*

The Administrative Assistant handles the everyday purchases of office supplies. The Administrative Assistant keeps track of the basic routine supplies and orders as needed. Orders are checked against the shipping invoices and at the end of the month invoices are compared with the final bill.

*AS-NEEDED  
PURCHASES*

If departments need items that are not considered routine supplies but are necessary to the daily performance of job duties, the Administrative Assistant will place orders accordingly. These are pur-

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chases that are made infrequently to replace worn or depleted supplies that are used in daily operations. The appraisal office uses its discretion to purchase these supplies without getting prior approval from supervisors. These purchases are generally under \$500. The Board of Directors approves all purchases over \$5,000.

*SPECIALIZED  
PURCHASES*

Specialized purchases are one time purchases for items that may not be used on a daily basis or that represent a change in the way that functions have been performed in the past. The unique nature of these purchases requires approval from the Chief Appraiser. After approval, the Administrative Assistant oversees the purchase. When making a purchase of more than \$3,000 but less than \$50,000, in accordance with Local Government Code Sect 252, the appraisal district shall contact at least two historically underutilized businesses on a rotating basis.

*MAJOR  
PURCHASES*

Major purchases require due diligence in price comparisons and sometimes competitive bidding. The Administrative Assistant or appropriate department researches such purchases in accordance with Local Government Code Section 252. The Chief Appraiser must approve these purchases. If the purchase for goods or services is over \$5,000, ACAD must go out for competitive bidding. This process requires a written proposal and advertisement in the local paper so that all businesses have an equal opportunity to bid on the project. Sealed bids are submitted and then opened on a set date. This meeting is open to the public.

VII. APPOINTMENT OF  
AGRICULTURAL  
ADVISORY  
BOARD

The chief appraiser of each appraisal district shall appoint, with the advice and consent of the board of directors, an agricultural advisory board composed of three or more members as determined by the board. *Tax Code Section 6.12 (a)*

VIII. APPRAISAL  
REVIEW BOARD  
TAX CODE  
SUBCHAPTER C

The appraisal review board is established for each appraisal district. *Tax Code Section 6.41 (a)*

Members of the review board are appointed by resolution of a majority of the appraisal district board of directors. *Tax Code Section 6.41 (d)*

The board consists of three members. However, the district board of directors by resolution of a majority of its members may increase the size of the appraisal review board to the number of members the board of directors considers appropriate. *Tax Code Section 6.41 (b)*

The board of directors of the appraisal district by resolution shall select a chairman and a secretary from among the members of the appraisal review board. The board of directors of the appraisal district shall select as chairman of the appraisal review board a mem-

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		ber of the appraisal review board, if any, who has a background in law and property appraisal if possible. <i>Tax Code Section 6.42</i>
	APPRAISAL REVIEW BOARD (LOCAL)	The board of directors, or a committee if the board so chooses, interview candidates for the positions of chairman and secretary before making final selection. In making appointments, the board may solicit and consider evaluations from taxpayers, the appraisal staff, and other interested parties. Selection of the chairman and secretary is based solely on qualifications and the judgment of the board of directors that the persons selected will make good review board officers.
IX.	PERIODIC REAPPRAISAL TAX CODE SECTION 6.05 (I)	<p>To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written appraisal plan for the periodic reappraisal of all property with the boundaries of the district according to the requirements of Section 25.18.</p> <p>Each appraisal office shall implement the plan for periodic reappraisal of property approved by the board of directors under Section 6.05 (i). The plan shall provide for the reappraisal activities for all real and personal property in the district at least once every three years. <i>Tax Code Section 25.18.</i></p>
	REAPPRAISAL (LOCAL)	The appraisal district reviews all real property and updates appraised values as necessary in each odd-numbered year. At all times, however, the appraisal district is responsible for ensuring that taxation is equal and uniform as directed by Article VIII, Section 1, of the State Constitution.
X.	OTHER DUTIES STATUTORY & LOCAL	<p>In addition to performing specific statutory duties, the board:</p> <ul style="list-style-type: none"><li>• Establishes committees as needed</li><li>• Requires and evaluates reports from the chief appraiser on the operations and financial status of the appraisal district</li><li>• Requires the development and adoption of district policies for the sound financial management of district funds</li><li>• Assists in presenting the needs and progress of the appraisal district to the public</li><li>• Considers and acts on policies for the appraisal district, the appraisal office, and the appraisal review board. Board members, the chief appraiser, and the general public may suggest policy changes to the board. Any policy change proposed by the general public shall be</li></ul>



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submitted to the chief appraiser for his/her consideration and recommendation.

- Approves contracts as required by law
- Performs other duties as required to govern the district as permitted by law

AUTHORITY OF THE  
BOARD  
(LOCAL)

The board of directors establishes general policies in keeping with the wishes of the community and the requirements of state law. The board may exercise its authority only by majority vote in a properly posted meeting. An individual member may not bind the board by any statement or opinion.

BOARD MEMBERS:  
ELIGIBILITY &  
QUALIFICATION

An individual is ineligible to serve on an appraisal district board of directors if the individual:

*NEPOTISM  
GOVERNMENT CODE  
CHAPTER 573;  
TAX CODE SECTION  
6.035 (A) (1)*

- (1) Is related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district;

*TAX CODE SECTION  
6.035 (A) (2)*

- (2) Owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless: (a) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or (b) a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065.

*TAX CODE SECTION  
6.03*

To be eligible to serve on the board of directors, an individual other than a county assessor-collector serving as a nonvoting member must be a resident of the district and must have resided in the district for at least two (2) years immediately preceding the date the individual takes office.

*TAX CODE SECTION  
6.03*

An employee of a taxing unit that participates in the district is not eligible to serve on the board unless the individual is also a member of the governing body or an elected official of a taxing unit that participates in the district.

*TAX CODE SECTION  
6.03*

If the county assessor-collector is not appointed to the board, the county assessor-collector serves as a nonvoting member. The county assessor-collector is ineligible to serve if the board enters into a contract under Section 6.05(b) or if the commissioner's court of the county enters into a contract under Section 6.24(b).

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BOARD MEMBERS: APPOINTMENT	Members of the board of directors other than a county assessor-collector serving as a nonvoting member are appointed by vote of the governing bodies of the incorporated cities and towns, the school districts, and, if entitled to vote, the conservation and reclamation districts that participate in the district and of the county. <i>Tax Code Section 6.03 (c)</i>
BOARD MEMBERS: TERMS (STATUTORY)	Members of the board of directors, other than a county-assessor collector serving as a nonvoting member, serve two-year terms beginning on January 1. <i>Tax Code Section 6.03 (b)</i>
BOARD MEMBERS: TERMS (LOCAL)	Members of the board of directors serve two-year staggered terms. The terms begin on January 1 of every year.
BOARD MEMBERS: COMPENSATION	Members of the board may not receive compensation for service on the board but are entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties as provided by the budget adopted by the board. <i>Tax Code Section 6.04 (c)</i>
BOARD MEMBERS: SELECTION, VACANCY, & RECALL (STAUTORY)	<i>Refer to Tax Code Section 6.03 and Appendix G pages 3 – 5 and 37 – 41.</i>
BOARD MEMBERS: SELECTION (LOCAL)	<p>The Angelina County Appraisal District has nine board members, and one non-voting member, the County Tax Assessor-Collector. Taxing units select members by resolution.</p> <p>The City of Lufkin, Angelina County, Hudson ISD, Central ISD, Zavalla ISD, Diboll ISD/City of Diboll, and Huntington ISD/City of Huntington all have one representative. Lufkin ISD has two members in representation.</p>
BOARD MEMBERS: VACANCIES (LOCAL)	When a vacancy occurs, the governing body or bodies of the taxing unit or units that appointed the person who vacated the position select the replacement. The procedure used is the same as that for the original appointment.
BOARD MEMBERS: RECALL (LOCAL)	The governing body of a taxing unit that participated in the appointment of a board member may initiate the recall of that member. These units pass a resolution calling for the recall of their representative on the board.
BOARD MEMBERS: ETHICS POLICY (LOCAL)	It is the policy of the Angelina County Appraisal District that the officers and employees of the district are independent, impartial, and responsible to the taxpayers of Angelina County; that public office or employment not be used for personal gain; and that state laws applicable to the conduct of public officials are observed. Policies

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and procedures of the appraisal district are adopted in affirmation of these goals.

A board member or employee shall not use information received in connection with his official position for his own purposes or those acting on his behalf or gain unless such information can be known by ordinary means to any ordinary citizen.

A board member or employee shall not use his official position with Angelina County Appraisal District to secure a special privilege, consideration, or exemption for himself or others, or to secure confidential information for any purpose other than official responsibilities.

A board member or employee shall not use district facilities, personnel, equipment, or supplies for private purposes, except to the extent such are lawfully available to the public.

A board member or employee shall not accept or solicit any gift or favor that might reasonably tend to influence that individual in the discharge of his official duties or that the member or employee knows, or should know, has been offered with the intent to influence or reward official conduct.

BOARD MEMBERS:  
CONFLICT OF  
INTEREST

TAX CODE SECTION  
6.036

The Local Government Code and the Tax Code bars members of the Board of Directors from knowingly participating in a vote or decision in which they or one of their close relatives has a substantial interest as defined by *Tax Code Section 6.036*. The *Local Government Code Chapter 171* requires board members to file an affidavit (Form CIS) upon the determination that he or she has a substantial interest and must abstain from joining in any discussions or votes on the issue. The affidavit must be filed before the board takes any votes on the matter.

A member of the Board of Directors or an employee of the district shall not in his official capacity transact any business with any person, business entity or property in which he has a substantial interest, and shall comply with all applicable provisions of, Chapter 171 (Regulations of Conflicts of Interest) and Chapter 176 (Disclosure of Certain Relationships), Local Government Code.

Each member of the board of directors shall disclose any conflicts pursuant to the requirements of Tex. Loc. Gov't Code § 176.003 if such is appropriate. A member of the board of directors shall file such an affidavit if the board of directors is considering entering a contract with a person with whom that member has an employment or other business relationship or a family member of the board member has such a relationship resulting in taxable income of \$2,500.00 or more during the previous twelve-month period. The

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board member shall also file such a disclosure if the person or entity seeking a contract with the district has given one or more gifts to that board member or family member of the board member aggregating more than \$250.00 in the preceding twelve-month period. Such disclosure shall be filed with a secretary of the board not later than the second business on which the member becomes aware of the potential conflict. The Disclosure Statement shall comply with the provisions of Tex. Loc. Gov't Code § 176.004.

The requirements of this section shall also apply to the Chief Appraiser.

The names of the board of directors members shall be posted on the district's web site in an accessible form for all vendors. Furthermore, all Disclosure Statements shall similarly be made available on the district's web site.

BOARD MEMBERS:  
CONFLICT OF  
INTEREST  
COMPLIANCE  
(LOCAL)

A member of the Board of Directors who violates any requirement of this policy shall be subject to review and action by the appointing authority. Board of Directors members are required to fill out the *Board of Directors Eligibility and Conflict of Interest Disclosure Questionnaire* to be filed with the district annually by February 1. This form informs the members of the Local Government and Tax Code requirements of eligibility and conflict of interest.

BOARD MEMBERS:  
EX PARTE  
COMMUNICATIONS  
(STATUTORY)

A member of the board of directors of an appraisal district shall not directly or indirectly communicate with the chief appraiser (or appraisal staff) on any matter relating to the appraisal of property by the appraisal district, except in:

- (1) An open meeting of the appraisal district board of directors or another public forum (such as the Appraisal Review Board);
- (2) A closed meeting of the board of directors to consult with the board's attorney about pending litigation, at which the chief appraiser's presence is necessary for full communication between the board and the board's attorney.

The chief appraiser shall not directly or indirectly communicate with a member of the board of directors of the appraisal district on any matter relating to the appraisal of property by the appraisal district, except in:

- (1) An open meeting of the board of directors or another public forum (such as the Appraisal Review Board);
- (2) A closed meeting of the board of directors to consult with the board's attorney about pending litigation, at which the

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chief appraiser's presence is necessary for full communication between the board and the board's attorney.

These subsections in the Tax Code do not apply to routine communication between the chief appraiser and the county tax-assessor collector that relates to the administration of an appraisal roll, including communication made in connection with the certification, correction, or the collection of an account, regardless of whether the county assessor-collector was appointed to the board of directors or serves as a non-voting member.

*Tax Code Section 6.15*

BOARD MEMBERS:  
TRAINING  
(STATUTORY)

Sec. 551.005 of the Government Code, Open Meetings Training, provides that members of the Board of Directors shall complete a course of training regarding the responsibilities of the governmental body and its members under this chapter not later than the 90th day after the date the member takes the oath of office. The Office of the Attorney General ensures that approved training is made available. Copies of certificates of course completion for board members are maintained and made available for public inspection at the appraisal district office.

Sec. 552.012 of the Government Code, Open Records Training, provides that members of the Board of Directors shall complete a course of training regarding the responsibilities of the governmental body and its members under this chapter not later than the 90th day after the date the member takes the oath of office. The Office of the Attorney General ensures that approved training is made available. Copies of certificates of course completion for board members are maintained and made available for public inspection at the appraisal district office.

BOARD MEMBERS:  
OFFICERS  
(LOCAL)

The board elects a chairman and a secretary at its first meeting each calendar year. The board elects a replacement to fill a vacancy at the first meeting after the vacancy occurs.

The duties of the chairman include:

- Presiding at board meetings;
- Appointing committee members unless otherwise instructed by the board;
- Along with the secretary, signing all legal instruments requiring board signature; and
- Performing legal duties as required by statute, and functions as designated by the board.

The chairman may vote on any motion.

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The duties of the vice chairman include:

- Presiding at meetings if the chairman is absent;
- Along with the chairman, signing all legal instruments requiring board signature; and
- Performing legal duties as required by statute, and functions as designated by the board.

If both the chairman and the vice chairman are absent from a meeting, the remaining members select a temporary presiding officer by majority vote. The senior board member presides for the purpose of opening the meeting and conducting the vote.

BOARD MEETINGS:  
(STATUTORY)

A majority of the appraisal district board of directors constitutes a quorum. At its first meeting each calendar year, the board shall elect from its members a chairman and a secretary. *Tax Code Section 6.04 (a)*

The board may meet at any time at the call of the chairman or as provided by board rule, but may not meet less than once each calendar quarter. *Tax Code Section 6.04 (b)*

RECORDING

All or any part of an open meeting may be recorded by any person in attendance by means of a tape recorder, video camera, or any other means of aural or visual reproduction. The Board may adopt reasonable rules to maintain order at a meeting, including rules related to the location of recording equipment and the manner in which the recording is conducted. These rules shall not prevent or unreasonably impair a person from exercising the right to record a meeting that is open to the public. *Gov't Code 551.023*

MINUTES

The Board shall prepare and keep minutes or make a tape recording of each open meeting. The minutes shall state the subject matter of each deliberation and indicate each vote, order, decision, or other action taken. *Gov't Code 551.021*

NOTICE

The Board shall give written notice of the date, hour, place, and subject(s) of each meeting it holds. *Gov't Code 551.041*

HEARING ON  
BUDGET  
(STATUTORY)

The board of directors shall hold a public hearing to consider the budget. The secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district not later than the 10<sup>th</sup> day before the date of the hearing written notice of the date, time, and place fixed for the hearing. *Tax Code Section 6.06 (b)*

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HEARING ON REAPPRAISAL PLAN (STATUTORY)	As per Tax Code Section 6.05 (i), the board of directors shall hold a public hearing on a written plan for the periodic appraisal of all property within the boundaries of the district according to the requirements of Tax Code Section 25.18.
QUORUM	A majority of the Board (e.g., four members of a seven-member board or five members of a nine-member board, regardless of the number of vacancies) constitutes a quorum for meetings of the Board. <i>Gov't Code 551.001(6), 311.013(b)</i>
BOARD MEETINGS: (LOCAL)	The board normally meets in the board room of the district offices at 418 N. Second Street, Lufkin, Texas. The board may designate a different meeting place if needed. Meetings start promptly at the scheduled hour or as soon afterward as a quorum is present. A majority of the members of the board constitute a quorum.
PLACE	
TIME	The board holds regular meetings on the 2 <sup>nd</sup> Thursday bi-monthly beginning at 8:30a.m. The chairman may call special meetings or emergency meetings. The board may vote to call special or emergency meetings during any meeting.
NOTICES	The chief appraiser prepares and posts meeting notices as required by law on behalf of the board. Only items posted in the meeting notice may be acted upon at a meeting.
RULES OF ORDER	The board conducts its meetings under Roberts Rules of Order Revised unless otherwise directed by board policy.
AGENDA	The chief appraiser prepares the agenda on behalf of the board and typically delivers an agenda packet providing support information to each member at least 48 hours before the time of the next regular meeting.
MINUTES	The first order business at a meeting is approval of minutes of the preceding meeting. The secretary signs the minutes when approved. The chief appraiser keeps the official minutes of the board on behalf of the board.
BOARD MEETINGS: OPEN TO PUBLIC (STATUTORY)	Every meeting of the Board shall be open to the public. The Board may, however, exclude a witness from a hearing during the examination of another witness in a matter being investigated and may enter into a closed meeting, as provided by law. <i>Gov't Code 551.002, 551.084, Ch. 551, Subch. D, Subch. E</i>
BOARD MEETINGS: CITIZEN PARTICIPATION (STATUTORY)	The board shall develop and implement policies that provide the public with reasonable opportunity to appear before the board to speak on any issue under the jurisdiction of the board. Reasonable time shall be provided during each board meeting for public

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comment on appraisal district and appraisal review board policies and procedures, and a report from the taxpayer liaison officer if one is required by Section 6.052.

The board shall prepare and maintain a written plan that describes how a person who does not speak English or who has a physical, mental, or developmental disability may be provided reasonable access to the board.

See Appendix E – Policies for Public Access

The board shall prepare information of public interest describing functions of the board and the board's procedures by which complaints are filed with and resolved by the board. The board shall make the information available to the public and the appropriate taxing jurisdictions.

If a written complaint is filed with the board that the board has authority to resolve, the board, at least quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless notice would jeopardize an undercover investigation.

*Tax Code Section 6.04 (d), (e), (f), & (g)*

BOARD MEETINGS:  
CITIZEN  
PARTICIPATION  
COMPLIANCE  
(LOCAL)

It is the policy of the board of directors to provide the public with a reasonable opportunity to address the board on the subject of the policies and procedures of the appraisal district and on any issue under the board's jurisdiction. Generally, the board's statutory duties and jurisdiction concern:

- Adopting the district's annual operating budget
- Contracting for necessary services
- Hiring the chief appraiser and assigning responsibilities to the position
- Making general policy regarding the operation of the appraisal district
- Appointing appraisal review board members

At each regularly scheduled meeting the chairman of the board of directors will announce that each person wishing to address the board on appraisal district policies, procedures, or issues may have time to speak allotted as follows:

- If the speaker's intended comment relates to an identifiable item on the agenda, three minutes
- If the speaker's intended comment does not relate to an identifiable item on the agenda:



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- Three minutes if the speaker has not appeared to make public comment in any of the four preceding meetings; or
- One minute if the speaker has appeared to make public comment in any of the four preceding meetings.

For the purposes of this section, a speaker representing a business entity is deemed to have appeared in a preceding meeting if any speaker representing that business entity has appeared in a preceding meeting. The chairman may expand the speaker's time as needed if the expansion will not affect the ability of the board to complete its business and adjourn the meeting at a reasonable time. The board may refuse to hear any person who attempts to speak on a subject unrelated to the policies and procedures of the appraisal district of the appraisal review board and unrelated to any other issue under the board's jurisdiction. [Sec. 6.04 (d), Tax Code]

The district will provide an interpreter at a meeting if a person who does not speak English or communicates by sign language notifies the appraisal district taxpayer liaison officer, or appraisal district, at least three business days before the meeting. The person must indicate that he or she desires to address the board and is unable to provide an interpreter. [Sec. 6.04 (e), Tax Code]

The district office has parking places marked for the disabled. The board room is wheelchair accessible. A person who needs additional assistance for entry or access should notify the taxpayer liaison officer, or appraisal district, in writing at least three business days before the meeting. [Sec. 6.04 (e), Tax Code]

BOARD MEETINGS:  
RESOLVING  
COMPLAINTS  
(STATUTORY)

The board will consider written complaints about the policies and procedures of the appraisal district, appraisal review board, and the board of directors and any other matter within the jurisdiction of the board of directors. The board will not consider complaints addressing any of the grounds for challenge and protest before the appraisal review board as set out in *Sections 41.03 and 41.41, Tax Code*. The board of directors has no authority to overrule the chief appraiser or appraisal review board's decision on a value, correction, or protest.

BOARD MEETINGS:  
RESOLVING  
COMPLAINTS  
(LOCAL)

Correspondence should be mailed to:  
Angelina County Appraisal District  
C/O Board of Directors or Taxpayer Liaison Officer  
PO Box 2357  
Lufkin, Texas 75902

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Written complaints that involve issues that are within the authority of the Board of Directors are to be considered by the board or its designee. The taxpayer liaison officer can be designated to administer the public access functions described under the citizen communications section and to resolve disputes involving matters other than those that may be protested to the Appraisal Review Board. The liaison officer shall review the complaint and gather related information and/or documentation for consideration by the Board of Directors.

Written complaints regarding Appraisal Review Board members can be directed to the Taxpayer Liaison Officer.

Board deliberations concerning complaints will comply with provisions of the Texas Open Meetings Act, Chapter 551, Government Code.

BOARD MEETINGS:  
CLOSED MEETINGS

The Board may conduct a closed meeting for the purposes described in the following provisions:

ATTORNEY  
CONSULTATION

1. The Board may conduct a private consultation with its attorney only when it seeks the attorney's advice about pending or contemplated litigation or a settlement offer or on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the requirement for open meetings. *Gov't Code 551.071* [See BE for permissible methods of communication for attorney consultations]

REAL PROPERTY

2. The Board may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person. *Gov't Code 551.072*

PROSPECTIVE GIFT

3. The Board may conduct a closed meeting to deliberate a negotiated contract for a prospective gift or donation to the District if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person. *Gov't Code 551.073*

PERSONNEL  
MATTERS

4. The Board is not required to conduct an open meeting to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee. However, the Board may not conduct a closed meeting for these purposes if the officer or employee who is

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	the subject of the deliberation or hearing requests a public hearing. <i>Gov't Code 551.074</i>
EMPLOYEE- EMPLOYEE COMPLAINTS	The Board is not required to conduct an open meeting to deliberate in a case in which a complaint or charge is brought against a District employee by another employee and the complaint or charge directly results in the need for a hearing. However, the Board may not conduct a closed meeting for this purpose if the employee against whom the complaint or charge is brought makes a written request for an open hearing. <i>Gov't Code 551.082</i>
MEDICAL OR PSYCHIATRIC RECORDS	<p>5. A board that administers a public insurance, health, or retirement plan is not required to conduct an open meeting to deliberate:</p> <p>a. The medical records or psychiatric records of an individual applicant for a benefit from the plan; or</p> <p>b. A matter that includes a consideration of information in the medical or psychiatric records of an individual applicant for a benefit from the plan.</p> <p><i>Gov't Code 551.0785</i></p>
SECURITY	<p>6. The Board is not required to conduct an open meeting to deliberate:</p> <p>a. The deployment, or specific occasions for implementation, of security personnel or devices; or</p> <p>b. A security audit.</p> <p><i>Gov't Code 551.076</i></p>
EMERGENCY MANAGEMENT	7. The Board is not required to conduct an open meeting to deliberate information confidential under Government Code 418.175–418.182, relating to Homeland Security. However, the Board must make a tape recording of the proceedings of a closed meeting held to deliberate the information. <i>Gov't Code 418.183(f)</i>
PROCEDURES FOR CLOSED MEETINGS	If a closed meeting is allowed, the Board shall not conduct the closed meeting unless a quorum of the Board first convenes in an open meeting for which proper notice has been given [see BE] and the presiding officer has publicly announced that a closed meeting will be held and has identified the section or sections of the Open Meetings Act or other applicable law under which the closed meeting is held. <i>Gov't Code 551.101</i>

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VOTE OR FINAL ACTION	A final action, decision, or vote on a matter deliberated in a closed meeting shall be made only in an open meeting for which proper notice has been given. <i>Gov't Code 551.102</i> [See BE]
CERTIFIED AGENDA OR TAPE RECORDING	The Board shall either keep a certified agenda or make a tape recording of the proceedings of each closed meeting, except for private consultation with the District's attorney. The certified agenda must include a statement of the subject matter of each deliberation, a record of any further action taken, and an announcement by the presiding officer at the beginning and end of the closed meeting indicating the date and time. A presiding officer shall certify that a certified agenda is a true and correct record of the proceedings. If a tape recording is made, it must include announcements by the presiding officer at the beginning and end of the meeting indicating the date and time. <i>Gov't Code 551.103</i>
PRESERVATION	The Board shall preserve the certified agenda or tape recording of a closed meeting for at least two years after the date of the meeting. If a legal action involving the meeting is brought within that period, the Board shall preserve the certified agenda or tape recording while the action is pending. <i>Gov't Code 551.104(a)</i>
PUBLIC ACCESS	A certified agenda or tape recording of a closed meeting is available for public inspection and copying only under a court order issued as a result of litigation involving an alleged violation of the Open Meetings Act. <i>Gov't Code 551.104(b), (c)</i>
PROHIBITIONS	<p>No Board member shall participate in a closed meeting knowing that neither a certified agenda nor a tape recording of the closed meeting is being made. <i>Gov't Code 551.145</i></p> <p>No individual, corporation, or partnership shall without lawful authority disclose to a member of the public the certified agenda or tape recording of a meeting that was lawfully closed to the public. <i>Gov't Code 551.146</i></p> <p>No Board member shall knowingly call or aid in calling or organizing a closed meeting that is not permitted under the Open Meetings Act, close or aid in closing a regular meeting to the public except as permitted under the Open Meetings Act, or participate in a closed meeting that is not permitted under the Open Meetings Act. <i>Gov't Code 551.144(a)</i></p>
DISTRICT ADMINISTRATION: CHIEF APPRAISER (STATUTORY)	The chief appraiser is the chief administrative officer of the appraisal district office. The chief appraiser is appointed by the Board of Directors. The chief appraiser is directly accountable to the board for the effective discharge of all duties and responsibilities. All other personnel are employed by and accountable to the chief

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	appraiser. The chief appraiser may delegate authority to subordinate employees. <i>Tax Code Section 6.05 (c), (d), (e), (f), (g)</i>
DUTIES AND RESPONSIBILITIES (STATUTORY & LOCAL)	The chief appraiser coordinates and implements the goals and objectives established by board policy, provisions of the Property Tax Code, and other applicable laws and rules. The chief appraiser's responsibilities include numerous statutory responsibilities related to the development of appraisal rolls and for the administration of the appraisal office. Additionally, the chief appraiser is assigned duties by the board of directors necessary for conduct of board duties and implementation of board policy.
CHIEF APPRAISER: NEPOTISM (STATUTORY)	The chief appraiser is an officer of the appraisal district for purposes of the nepotism law, Chapter 573, Government Code. The district may not employ or contract with the chief appraiser's spouse, parent or stepparent, child or stepchild, or the spouse of any of these. <i>Tax Code Section 6.05(g)</i>
TAXPAYER LIAISON OFFICER (LOCAL)	The taxpayer liaison officer handles public access issues. The liaison officer also resolves complaints that fall outside the jurisdiction of the appraisal review board, involving the board of directors and appraisal district policies and procedures. The liaison officer will aid in the requirements of the eligibility process for potential members of the board of directors and review board members by following procedures to ensure compliance with the Tax Code. The liaison officer assists property owners in understanding the appraisal process, protest process, and related matters. The liaison officer also provides taxing units and taxpayers with policies, procedures, and access to the board of directors and the appraisal review board.  <u>See Appendix F</u>
RECORDS MANAGEMENT (STATUTORY)  DEFINITION	A "local government record" means any document, paper, letter, book, map, photograph, sound or video recording, microfilm, magnetic tape, electronic medium, or other information-recording medium, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the state, created or received by the District or any of its officers or employees, pursuant to law or in the transaction of public business. The term does not include:  <ol style="list-style-type: none"><li>1. Extra identical copies of documents created only for convenience of reference or research by District officers or employees.</li><li>2. Notes, journals, diaries, and similar documents created by a District officer or employee for his or her own personal convenience.</li></ol>

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3. Blank forms, stocks or publications, and library and museum materials acquired solely for the purposes of reference or display.
4. Copies of documents in any media furnished to the public under the Open Records Act or other state law.

*Local Gov't. Code 201.003(8)*

BOARD'S  
RESPONSIBILITIES

In implementing the Local Government Records Act, the Board shall:

1. Establish, promote, and support an active and continuing program for the efficient and economical management of all District records.
2. Cause policies and procedures to be developed for the administration of the program under the direction of the records management officer.
3. Facilitate the creation and maintenance of District records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the District and designed to furnish the information necessary to protect the District's legal and financial rights, the state, and persons affected by the District's activities.
4. Facilitate the identification and preservation of District records that are of permanent value.
5. Facilitate the identification and protection of essential District records.
6. Cooperate with the State Library and Archives Commission in its conduct of statewide records management surveys.

*Local Gov't. Code 203.021*

RECORDS  
MANAGEMENT  
OFFICER

In implementing the Local Government Records Act, the records management officer shall:

1. Assist in establishing and developing policies and procedures for the District's records management program.
2. Administer the records management program and provide assistance to the custodians in order to reduce costs and improve record-keeping efficiency.
3. In cooperation with the custodians of records, prepare and file records control schedules, amended schedules, and lists of

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obsolete records, as required by the Local Government Records Act.

4. In cooperation with the custodians of records, prepare or direct the preparation of requests for authorization to destroy records, when such requests are required under the Local Government Records Act.
5. In cooperation with the custodians of records, identify and take adequate steps to preserve District records of permanent value.
6. In cooperation with the custodians of records, identify and take adequate steps to protect essential District records.
7. In cooperation with the custodians of records, ensure that the maintenance, preservation, microfilming, destruction, or other disposition of records is carried out in accordance with the District's records management program and legal requirements.
8. Disseminate to the Board and custodians of records information concerning state laws, administrative rules, and government policies relating to the District's records.
9. In cooperation with the custodians of records, establish procedures to ensure that the handling of records is carried out with due regard for the duties and responsibilities of custodians that may be imposed by law and the confidentiality of information in records to which access is restricted by law.

*Local Gov't. Code 203.023*

RECORDS  
MANAGEMENT  
(LOCAL)

The taxpayer liaison officer shall oversee the performance of records management functions prescribed by state and federal law:

- Records Management Officer, as prescribed by Local Government Code 203.023
- Records Administrator, as prescribed by Local Government Code 176.001 and 176.007 [See BBFA and CHE]
- Officer for Public Information, as prescribed by Government Code 552.201–.204 [See GBAA]
- Public Information Coordinator, as prescribed by Government Code 552.012 [See BBD]

INDEMNIFICATION OF  
EMPLOYEES

In the event that the Texas Department of Licensing and Regulation (TDLR) imposes an administrative penalty on a person who is employed by the appraisal district, resulting from an act or omission by the person in the course and scope of the person's em-

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ployment with the appraisal district, the appraisal district shall indemnify the person for the amount of the administrative penalty and the costs of challenging the imposition of the administrative penalty. Notwithstanding the prior sentence, the appraisal district is not required to indemnify a person upon whom an administrative penalty is imposed if the penalty was imposed because the person acted with gross negligence or in bad faith or with conscious indifference or reckless disregard for TDLR rules or regulations or for the appraisal district's rules or policies. The total amount of indemnification provided by the appraisal district shall not exceed \$5,000,000 for each occurrence.

APPRAISAL REVIEW  
BOARD:  
AUTHORITY  
(STATUTORY)

The appraisal review board (ARB) has the statutory authority to:

- Hear and determine property owner protests [Section 41.41]
- Hear and determine taxing unit challenges [Section 41.03]
- Correct clerical errors in the appraisal records and appraisal roll [Section 41.09]
- Rule on motions for correction to appraisal rolls [Section 41.08 and 41.10]
- Review grants of exemption or special appraisal for legal correctness
- Order changes as needed to implement its determinations
- Approve the appraisal records [Section 41.12]
- Perform other activities specifically required of it by the Property Tax Code.

ARB SELECTION

The Appraisal District Board of Directors appoints appraisal review board members. *Tax Code Sections 6.41 (b) and 6.42 (a)*

ARB ELIGIBILITY

To serve on the appraisal review board an individual must be a resident of the appraisal district and must have resided in the district for at least two years. A member of the board of directors or an officer or employee of the State Comptroller's Office, the appraisal office, or a taxing unit is ineligible to serve. An individual who is a former member of the governing body or an officer or employee of a taxing unit, or is a former director, officer, or employee of the appraisal district is ineligible to serve on the appraisal review board. *Tax Code Section 6.412*



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ARB NEPOTISM	A person may not serve as an ARB member if a relative within the second degree by blood or marriage <sup>1</sup> does business in the Angelina County Appraisal District as a paid tax agent. The person is also barred if a relative within the same degree appraises property for compensation for use in proceedings before the appraisal district or review board.
ARB CONFLICT OF INTEREST	The Tax Code also bars a person from service or appointment if the person or a business entity in which the person has a substantial interest is a party to a contract with the appraisal district or with a taxing unit that participates in the appraisal district. <sup>2</sup> <i>Tax Code Section 6.413</i>
ARB COMPENSATION	Appraisal Review Board members shall receive a per diem as provided by the annual appraisal district budget.
APPRAISAL REVIEW BOARD: GUIDELINES FOR OPERATION (LOCAL)	An ARB member should participate in establishing, maintaining, and enforcing, and should observe high standards of conduct so that the integrity and impartiality of the Appraisal Review Board is preserved.
ARB SELECTION PROCESS	<p>The Appraisal Review Board will consist of 9 regular members who will serve two (2) year staggered terms. No individual can serve more than three (3) consecutive terms and all members serve "at-large". The Appraisal Review Board conducts meetings and hearings in the Angelina County Appraisal District boardroom.</p> <p>If the board so desires, the Board of Directors Chairman shall appoint a committee of three members to make recommendations of individuals for all ARB positions. The ARB Selection Committee shall serve for annual terms beginning in January of each year.</p> <p>The ARB Selection Committee shall receive applicants and recommend a nominee for each appointment by the date requested by the board. Committee members should personally contact can-</p>

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<sup>1</sup> As determined under Chapter 573, Government Code; includes spouse, parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, spouse's parent, spouse's child, spouse's grandparent, spouse's grandchild, spouse's brother or sister.

<sup>2</sup> "Substantial Interest" means that the person and the person's spouse together own at least 10 percent voting stock or shares in the business, or that either of them is a partner, limited partner, or officer of the business. These same restrictions apply to appraisal review board members. "Business entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or other entity recognized by law.

LOCAL GOVERNANCE  
BOARD OF DIRECTORS POLICY MANUAL

didates to advise them on the requirements of the position, time commitments, payment policies, and impact of their ARB decisions. The committee should also attempt to determine the individual's motivation in serving and other factors that would contribute to success as an ARB member.

Candidates should be informed that the Committee's recommendations are subject to the approval of the ACAD Board of Directors and are based on many factors including but not limited to the need for geographic, gender and cultural diversity on the ARB. The board of directors appoints the chairman and secretary of the appraisal review board from among the members of the ARB. The Property Tax Code encourages the board to select a chair with appraisal or legal experience. [Section 6.42 (a)] Selection of members will be based solely on qualifications and the judgment of the board of directors that the persons selected will make good review board members. The Board of Directors, in its selection process, will strive to make the Appraisal Review Board a body representative of all areas and population of the county.

ARB ATTENDANCE  
POLICY

If an ARB member misses six (6) consecutive ARB called meetings and/or requests for service on hearing panels per calendar year, the Board of Directors, by majority vote, may remove the ARB member for good cause. The good cause would be a violation of the attendance requirements.

If the ARB member presents reasons for his/her absences, the Board of Directors will consider those reasons in the enforcement of this policy. Reasons for lack of attendance may include but not be limited to death in the immediate family, sickness of individual or family members, and request for judicial service for jury duty, summons for court appearance or other personal related incidents acceptable to the Board of Directors.

The Board of Directors will be provided an attendance report from the ACAD Administration/ARB Staff each year before appointments are made.

PROCEDURES FOR  
ENSURING  
APPRAISAL REVIEW  
BOARD MEMBER  
COMPLIANCE

*Section 6.034(a)(2) and 6.412(a)(2), Tax Code* and for Removal of Non-complying Members

A person is ineligible to hold office as an ARB member if the person owns property on which delinquent taxes have been owed for more than 60 days after the date the person knew or should have known of the delinquency. Taxes normally become delinquent February 1; in order for a member to remain eligible, the member must do one of three things prior to April 1: (1) pay the taxes; (2) enter into an installment agreement; (3) if eligible, file an over 65 or disabled person's tax deferral affidavit.

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The objective of the procedure is to ensure that ARB members have ample notice of delinquency problems and frequent reminders of the need to pay taxes. The following procedures will be followed:

January

In January of each year, the taxpayer liaison officer shall remind the ARB members of the responsibility to pay taxes timely. No later than February 1, each ARB member shall file the Appraisal Review Board Eligibility and Conflict of Interest Disclosure Questionnaire with the appraisal district, which discloses all taxable property owned by the ARB member and indicating whether taxes for the preceding year have been paid as of the date of the statement and whether delinquent taxes are owed. The disclosure form also notifies the ARB member of all requirements of eligibility.

February

In the first week of February, the taxpayer liaison officer shall check with the taxing entities for tax payment information on all disclosed property. By the third week of February, ARB members shall be informed of any property for which it appears that taxes have not been paid and reminded in writing that taxes cannot remain delinquent more than 60 days.

March

In the first week of March, the taxpayer liaison officer will review all tax payment information and compile a list of any payments still outstanding. The officer will then notify the chief appraiser, the respective board chairs, and the ARB members involved in writing no later than March 10. The ARB chairman will be asked not to schedule the member after the 60<sup>th</sup> day following delinquency. A final warning call will be made to each person who has not provided proof of resolution of the problem on, or about March 25.

April

The taxpayer liaison officer will provide the board of directors with a list of those ARB members for whom it appears delinquent taxes were still owed as of April 1. An item for hearing on the removal of ARB members will be placed on the April agenda, with action on removal contemplated for the May agenda.

May

An item for final removal of an ARB member will be placed on the May agenda with a final recommendation for action.

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BOARD OF DIRECTORS POLICY MANUAL

There are many circumstances in which the delinquency date for a tax payment is not February 1. If that property is involved in a back assessment or exemption cancellation (the two circumstances that would most likely trigger a tax with a delinquency date), staff will notify the board of directors and a procedure similar to that above will be followed to ensure that the taxes are timely paid.

CONFLICT WITH  
STATUTES

In the event of a conflict between the terms of this policy and a statute or code provision, the statute or code provision shall prevail.

PERIODIC REVIEW

The policies stated herein shall be subject to periodic review by the board of directors.

LOCAL GOVERNANCE  
BOARD OF DIRECTORS POLICY MANUAL

ADOPTED

Adopted this 13<sup>th</sup> day of January, 2011 by the Board of Directors of the Angelina County Appraisal District.

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Chairman, Board of Directors

Attest: \_\_\_\_\_

Secretary, Board of Directors

APPENDICES

*Appendix A: Chief Appraiser Qualifications*

*Appendix B: Chief Appraiser Duties (Appraisal of Property)*

*Appendix C: Chief Appraiser Selection Procedure*

*Appendix D: Chief Appraiser Evaluation Form*

*Appendix E: Policies for Public Access*

*Appendix F: Instructions for Filing a Complaint/Taxpayer Liaison Officer*

*Appendix G: Texas Comptroller of Public Accounts – Appraisal District Director's Guide*

**LOCAL GOVERNANCE**

**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX A**

**CHIEF APPRAISER QUALIFICATIONS**

- Obtained a bachelor's or associates degree from accredited college or university. The board may waive degree requirements commensurate with qualified appraisal and or administrative experience.
- Comprehensive knowledge of modern real and personal property appraisal principles and practices; thorough knowledge of property tax appraisal laws; skill in making difficult real property appraisals; ability to plan and supervise the work of property appraisers and others.
- Management-level experience is required.
- Candidate must be designated as or working toward obtaining the qualifications of Registered Professional Appraiser (RPA) in the State of Texas.
- Knowledge of governmental budgeting, finance, personnel management, media relations, and Texas property tax laws is necessary.
- Must exhibit an understanding and willingness to implement the goals and objectives as determined by the Angelina County Appraisal District board of directors.
- Must not be related within the second degree by consanguinity or affinity to a person who appraises property for compensation for use in proceedings before the appraisal review board or represents property owners for compensation before the appraisal review board.
- Must not own property on which delinquent property taxes have been owed for more than 60 days after the date the person knew or should have known of the delinquency.
- The ability to physically perform required job functions.
- Be a strong moral character, and comply with the Property Tax Code, Texas Local Government Code, Comptroller rules, and other applicable laws.

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX B**

**CHIEF APPRAISER DUTIES**  
**(APPRAISAL OF PROPERTY)**

**GENERAL STATEMENT OF DUTIES:** Plans and supervises the mass appraisal of real and personal property for assessment purposes.

**SCOPE OF DUTIES:** This is a technical and supervisory position involving responsibility for the administration of the Angelina County Appraisal District real and personal property appraisal system. Supervision is exercised over the work of managerial, subordinate appraisers and supporting staff.

**EXAMPLES OF WORK:** (Not a comprehensive list)

- Supervise the discovery of all taxable property in the jurisdictional boundaries of the appraisal district.
- List and maintain current and past records of ownership, deed changes, sales prices, and other vital information pertaining to mass appraisal process and required by law.
- Supervise the valuation, appraisal, and reappraisal of all real and personal property in the district; including the appraisal of urban and rural land, acreage tracts, and newly annexed property.
- Supervise the activities of department managers and coordinators; including residential, industrial, commercial, clerical, and information systems/mapping.
- Prepare reports on appraisals for the governing bodies of taxing units, including a summary of new appraisals and reappraisals.
- Prepare and certify appraisal rolls to taxing unit governing bodies on or before July 25 of each year.
- Assign and instruct appraisers regarding property or area to be appraised.
- Keep abreast of appraisal procedures, market trends, and construction costs and makes such information available to staff supervisors and appraisers.
- Work closely with district litigation attorneys in the settlement or judicial appeals of protested properties. Maintains good working relationship.

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX C**

**CHIEF APPRAISER SELECTION PROCEDURE**

Upon vacancy of the position of chief appraiser, the Angelina County Appraisal District board of directors will follow the outlined procedure for seeking a qualified applicant.

**I. Preliminary Selection Activities:**

- A. Seek the advice of district legal counsel.
- B. Acknowledge the resignation, termination, retirement, or death of the preceding chief appraiser either at the next regularly scheduled board meeting or at a special meeting, as deemed necessary by the board.
- C. Name an Interim Chief Appraiser.  
The board will first consider selection of Interim Chief Appraiser from the qualified appraisal district employees. The board may consider a qualified candidate for this position from outside the district.
- D. Review job description and qualifications of the chief appraiser position.
- E. Discuss reasonable salary range and compensation package.
- F. Establish a schedule or calendar for the selection process.

**II. Section Activities:**

- A. Announce that ACAD is accepting applications for the Chief Appraiser position. The board may employ various method to attract potential candidates, including but not limited to:
  - 1. Professional trade organization publications.  
(Examples include: the Texas Association of Appraisal Districts (TAAD); Texas Association of Assessing Officers (TAAO); International Association of Assessing Officers (IAAO))
  - 2. Invitation letters to qualified candidates in the around the state.



**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX C**

CHIEF APPRAISER SELECTION PROCEDURE

3. Letters to Human Resource departments of selected appraisal districts.
    4. Other methods deemed appropriate by the board of directors.
  - B. Schedule and implement a preliminary screening of qualified candidates as determined by the board of directors.
  - C. Conduct interviews with qualified candidates.
  - D. Discuss making a job offer or conducting a second interview with finalists.
  - E. Make final job offer.
- III. Post-Section Activities:
  - A. Discuss terms of employment agreement and/or contract with selected candidate.
    1. Probationary period and beginning salary.
    2. Benefit Package.
    3. Vehicle allowance.
    4. Other matters deemed appropriate by the board of directors.
  - B. Review job criteria, standards, and methods of evaluation. Modification may be made as needed.
  - C. Assist the new Chief Appraiser in his/her position.
    1. Formal letter of announcement from board of directors to appraisal district staff.
    2. Announce to public by publication in area newspaper.
    3. Introduction to community leaders.
    4. Personal assistance by individual board members.
    5. Any other action deemed appropriate by the board of directors.

## **ANGELINA COUNTY APPRAISAL DISTRICT**

### **CHIEF APPRAISER JOB PERFORMANCE REVIEW**

In order to assist the Chief Appraiser in fulfilling his obligation to the Board and District, it is advantageous to help identify performance strengths and weaknesses. Attached you will find a job description and evaluation form which lists duties commonly associated with this position. The performance standards to be used will be:

1 = Exceeds what is expected

2 = Meets job requirements

3 = Needs improvement

Please check those items that, in your opinion, best personify the requirements of the position. Space has been provided at the end of the evaluation form for your comments.

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**JOB DUTIES**

- \_\_\_\_\_ 1. Delegates at his discretion to appraisal district personnel duties and authority with the knowledge that such does not relieve the chief appraiser of the final responsibility for the action taken under such delegation.
- \_\_\_\_\_ 2. Accepts responsibility for the general efficiency of the appraisal district, for the development of the district staff and the overall welfare of the staff.
- \_\_\_\_\_ 3. Makes sound decisions and exhibits good judgment.
- \_\_\_\_\_ 4. Keeps abreast of latest trends in the appraisal field and changes in the law by attending educational conventions and conferences, and by other appropriate means.
- \_\_\_\_\_ 5. Attends and effectively participates in all meetings of the Board and its committees.
- \_\_\_\_\_ 6. Maintains a positive and productive working relationship with the Board of Directors.
- \_\_\_\_\_ 7. Reports to the Board such matters as deemed necessary to the understanding and proper management of the appraisal district, or as the Board may request.
- \_\_\_\_\_ 8. Carries out the personnel guidelines established by the Board and advises them of needed changes or revisions.
- \_\_\_\_\_ 9. Assumes responsibility for the overall financial planning of the annual budget recommendations, and submits to the Board for review and approval.
- \_\_\_\_\_ 10. Provides for effective personnel practices that promote high quality staffing and job performance.
- \_\_\_\_\_ 11. Represents the Board as liaison between the appraisal district and the community.
- \_\_\_\_\_ 12. Maintains an effective working relationship with the taxing units in the district.
- \_\_\_\_\_ 13. Promotes positive community relations through effective communications and involvement with community members.
- \_\_\_\_\_ 14. Assumes responsibility for the use and care of appraisal district facility.
- \_\_\_\_\_ 15. Develops a plan that will establish a comprehensive personnel evaluation procedure that is consistent with due process and aimed at improving the performance of all personnel.
- \_\_\_\_\_ 16. Establishes and maintains efficient procedures and effective controls for all expenditures of appraisal district funds in accordance with the adopted budget, subject to direction and approval by the Board.
- \_\_\_\_\_ 17. Promotes and maintains effective relationship with the news media.

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX D**

\_\_\_\_ 18. Displays effective personal leadership attributes

**PERSONAL CHARACTERISTICS**

\_\_\_\_ 1. Seeks and accepts constructive criticism of his work.

\_\_\_\_ 2. Defends principles and convictions in face of pressure and partisan influence in a professional manner.

\_\_\_\_ 3. Writes clearly and concisely.

\_\_\_\_ 4. Speaks well in front of large and small groups.

\_\_\_\_ 5. Thinks well on his feet when faced with an unexpected or disturbing turn of events in meetings.

\_\_\_\_ 6. Understands people and is sensitive to their needs.

\_\_\_\_ 7. By his own example inspires appraisal district employees to higher professional standards.

\_\_\_\_ 8. Makes himself available to and works openly with district personnel.

\_\_\_\_ 9. Supports Board policies that run contrary to his personal recommendations.

\_\_\_\_ 10. Conducts all official business with the Board as a whole and not with portions of the Board or individual members.

## OVERALL EVALUATION AND RECOMMENDATIONS

My overall evaluation of the Chief Appraiser is:

☐ Exceeds What Is Expected

☐ Meets Job Requirements

☐ Needs Improvement

### ADDITIONAL COMMENTS:

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---

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Signature of Board Member

Date

ANGELINA COUNTY APPRAISAL DISTRICT  
003

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX E**  
**PUBLIC ACCESS POLICY**



**Angelina County Appraisal District**  
**418 N. Second Street, Lufkin, Texas 75902**  
**Telephone: (936) 634-8456**  
**[taxpayerliaison@angelinacad.org](mailto:taxpayerliaison@angelinacad.org)**

**BOARD OF DIRECTORS MANUAL: APPENDIX E**

**ANGELINA COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS**  
**PUBLIC ACCESS POLICY**

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX E**  
**PUBLIC ACCESS POLICY**

**GOAL**

The Angelina County Appraisal District Board of Directors upholds that all citizens have access to the resources of the Appraisal District. The Board's Public Access Policy was originally adopted in accordance with Section 6.04 of the Texas Property Tax Code and revised December 9, 2010. Detailed information may be found at the Appraisal District office or its website: [www.angelinacad.org](http://www.angelinacad.org)

**OVERVIEW**

The mandate for countywide appraisal districts resulted from the 1979 Legislature. In 1981, the Legislature identified appraisal districts as political subdivisions of the State of Texas. The law (S.B. 621) required that all counties in Texas implement these districts no later than 1982.

The Angelina County Appraisal District is responsible for maintaining and appraising all business personal property and all real property in Angelina County at market value. The Appraisal District provides an annual appraisal roll for each of the 21 active taxing jurisdictions in Angelina County.

**BOARD OF DIRECTORS**

The Board of Directors is the governing body of the Appraisal District and is comprised of nine (9) members who represent the taxing jurisdictions in the County. They are appointed by the governing bodies of the jurisdictions with voting entitlement: counties, school districts and incorporated towns and cities. The Board's primary responsibilities as the governing body of the Appraisal District are:

- selection of the Chief Appraiser;
- establishment of the appraisal office;
- adoption of the operating budget for the District;
- appointment of Appraisal Review Board members.

The Board of Directors does not assess property nor does it address value issues (Section 6.15 of the Texas Property Tax Code).

**APPRAISAL REVIEW BOARD**

The Appraisal Review Board (ARB) is appointed by the Board of Directors but it is not controlled by the Appraisal District. The ARB is a quasi-judicial Board. The ARB is a separate body from the appraisal office and serves a different function. It hears and resolves disputes over appraisal matters. The ARB only has authority over matters submitted to it. In resolving taxpayer protests the ARB can make changes or set a value. Finally, the ARB is responsible for approving the appraisal rolls, prior to certification by the Chief Appraiser. All ARB hearings are subject to the Open Meetings Act.

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX E**  
**PUBLIC ACCESS POLICY**

**PUBLIC HEARINGS/PUBLIC COMMENT & ACCESS TO THE BOARD OF DIRECTORS**

The Angelina County Appraisal District Board of Directors meets the second Thursday bi-monthly at 8:30 a.m. in the Conference Room of the Angelina County Appraisal District, 418 N. Second Street, Lufkin, Texas 75902. Meetings of the Board are conducted by Robert's Rules of Order. All meetings are held in accordance with the Open Meetings Act. All meetings are recorded. Minutes for the meetings are a matter of public record and available at the Appraisal District office. The Angelina County Appraisal District Board of Directors is dedicated to the concept and laws of open government. Public comment is a regular agenda item. Public comment is limited to five (5) minutes per item, unless a majority of a quorum of the Board votes to allow more time for a given item. Citizens wishing to address the Board should sign up for public comment prior to the start of the meeting. Public comment requires no action from the Board.

**INTERPRETERS**

The Angelina County Appraisal District will provide an interpreter for non-English speakers or individuals who communicate by sign language for any meeting of the Board of Directors or Appraisal Review Board. All requests for these services should be made a minimum of 48 hours prior to the meeting. Requests may be made through the Taxpayer Liaison Officer at (936) 634-8456 or [taxpayerliaison@angelinacad.org](mailto:taxpayerliaison@angelinacad.org).

**ACCESS BY DISABLED PERSONS**

The facility which houses the Angelina County Appraisal District at 418 N. Second Street has dedicated parking spaces at the back entrance of the building for persons requiring special access. Both the Board of Directors Conference Room and Appraisal Review Board hearing rooms are wheelchair accessible. An individual who needs additional assistance for entry or access should notify the Taxpayer Liaison Officer at (936) 634-8456 or [taxpayerliaison@angelinacad.org](mailto:taxpayerliaison@angelinacad.org) a minimum of 48 hours prior to the meeting.

Access for persons with mental or developmental disability; the Taxpayer Liaison Officer will review such requests and, in conjunction with State healthcare officials, make appropriate accommodations for these individuals.

**TAXPAYER LIAISON OFFICER**

The Taxpayer Liaison Officer is appointed by the Chief Appraiser and reports to the Board of Directors. The liaison officer handles public access issues and complaints that fall outside the jurisdiction of the Appraisal Review Board. The liaison officer reports to the Board of Directors on a quarterly basis at the regularly scheduled meeting of the Board.



**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX E**  
**PUBLIC ACCESS POLICY**

**COMPLAINT PROCEDURE**

The following procedures are used for all citizen complaints. All complaints should be submitted in writing in order to maintain the integrity of the complaint for all parties involved. A complaint received by a Board member, a CAD officer or staff member, or a taxing entity representative, shall be:

- I. Referred to the Taxpayer Liaison Officer;
- II. The Taxpayer Liaison Officer shall review the complaint and provide a copy of the same to the Executive Director/Chief Appraiser, and, request all supporting documentation from the Executive Director/Chief Appraiser to be used in review and investigation of the complaint;
- III. The Taxpayer Liaison Officer will make the complaint known to all parties involved and advise the Board of Directors of the Angelina County Appraisal District;
- IV. The Taxpayer Liaison Officer shall have a written evaluation of each complaint available within the first month of receipt, if not sooner. The complaint will be reported to the Board at its first meeting following the submission of the complaint;
- V. The Taxpayer Liaison Officer will keep all parties, including the Executive Director/Chief Appraiser and the Board of Directors, informed of each new development of the complaint and report on the status of the complaint until resolved. All complaints will remain on file with Taxpayer Liaison Officer and be part of the recorded minutes of the Board of Directors' meetings when presented.

**WEBSITE**

Information may be obtained from the website and the various links throughout. The web address is: **[www.angelinacad.org](http://www.angelinacad.org)**

**OPEN RECORDS**

All records of the Angelina County Appraisal District are subject to the Texas Public Information Act – Government Code Chapter 552, unless determined to be confidential by law. The Taxpayer Liaison Officer is the Public Information Officer for the Appraisal District. All open records requests shall be made in writing and submitted to the Taxpayer Liaison Officer for processing.

ANGELINA COUNTY APPRAISAL DISTRICT  
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**LOCAL GOVERNANCE**

**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX F**

INSTRUCTIONS FOR FILING A COMPLAINT/TAXPAYER LIAISON OFFICER



**Angelina County Appraisal District**  
**418 N. Second Street, Lufkin, Texas 75902**  
**Telephone: (936) 634-8456**  
**[taxpayerliaison@angelinacad.org](mailto:taxpayerliaison@angelinacad.org)**

**BOARD OF DIRECTORS MANUAL: APPENDIX F**

**INSTRUCTIONS FOR FILING A COMPLAINT**  
**TAXPAYER LIAISON OFFICER**

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX F**

INSTRUCTIONS FOR FILING A COMPLAINT/TAXPAYER LIAISON OFFICER

*(Modified in part from Taxpayers' Rights, Remedies, & Responsibilities as published by the Texas Comptroller of Public Accounts)*

If you have a complaint concerning the appraisal district and its operations, with the exception of the valuations and exemptions which fall under the jurisdiction of the Appraisal Review Board (ARB), you may file your complaint with the district's Taxpayer Liaison Officer (TLO). The TLO acts as an intermediary between the taxpayer and the board. Contact information for the TLO can be obtained from the appraisal district office.

**In order to file a complaint, the following procedures should be followed:**

1. The complaint must be in writing and must adequately describe the specific facts which give rise to the complaint.
2. The TLO will research the complaint for remedies. If the TLO and the taxpayer can resolve the problem, the TLO will report the complaint along with the resolution to the board. If the complaint cannot be resolved through the TLO, the complaint will be placed on the agenda as an action item at the next meeting of the board. At this meeting, the taxpayer will be given the opportunity to present the complaint to the board in person.
3. The taxpayer must give the TLO adequate time to research the complaint and attempt to resolve the situation. If the complaint must be presented to the board, adequate time must be allowed in order for the district to call a meeting and comply with the posting requirements of the Open Meetings Act.
4. A taxpayer must further outline to the TLO any special assistance or arrangements that will be required in order to make his presentation to the board, such as translators for non-English speaking or deaf persons, or special needs for a person having any physical, mental, or development disability. The services must be requested at least five (5) working days in advance of the meeting.
5. If a taxpayer has a physical impairment and cannot present his complaint in writing, the complaint can be recorded on cassette tape and the tape will be played for the Board in lieu of the written complaint.

While a complaint is under investigation, the TLO will report on the status of the complaint to both the taxpayer and to the board at their meetings until the complaint is resolved, unless notification would jeopardize an investigation.

Please remember, the board of directors does not participate in the appraisal process. If you have a complaint concerning the appraisal of your property, this matter does not fall under the jurisdiction of the board of directors. Property valuations and exemption issues

**LOCAL GOVERNANCE**  
**BOARD OF DIRECTORS POLICY MANUAL: APPENDIX F**

INSTRUCTIONS FOR FILING A COMPLAINT/TAXPAYER LIAISON OFFICER  
must be protested to the Appraisal Review Board pursuant to Section 41.41, Texas Tax  
Code.

**RESPONSIBILITIES OF THE TAXPAYER LIAISON OFFICER**

**Authority:**

The Taxpayer Liaison Officer (TLO) serves at the pleasure of the board of directors and the chief appraiser.

**Purpose:**

The liaison officer shall administer the public access function required by Section 6.04(d), (e), and (f) of the Texas Tax Code, and is responsible for resolving disputes not involving matters that may be protested under Section 41.41 of the Texas Tax Code. The TLO may provide information and materials designed to assist property owners in understanding the appraisal process, protest procedures, and related matters.

**Responsibilities:**

- Receive, research, and mediate complaints filed with the TLO regarding the appraisal district and its operations. Excluding matters under the jurisdiction of the Appraisal Review Board.
- Assist property owners with physical, mental, or developmental disabilities in order they may have reasonable access to the board.
- Develop and implement policies and procedures designed to guarantee access to the board by non-English speaking persons.
- Preparing information of public interest describing board functions and procedures involving how complaints are filed and resolved by the board.
- Assist the chief appraiser and staff in developing and disseminating information and materials designed to assist property owners and the general public in understanding the appraisal process, protest procedures and related matters.
- Collaborate with chief appraiser in developing and providing information to media outlets, civic groups, professional organizations, and the general public.

The seal of the Texas Comptroller of Public Accounts is a circular emblem. It features a five-pointed star in the center, surrounded by a wreath of olive and oak branches. The words "THE COMPTROLLER OF PUBLIC ACCOUNTS" are inscribed around the perimeter of the seal, and "TEXAS" is at the bottom.

**Glenn Hegar**

Texas Comptroller of Public Accounts

# Appraisal District Director's Manual

January 2016

Tax Code Section 5.05(a) authorizes the Comptroller's office to prepare and issue publications relating to the appraisal of property and the administration of taxes as a public service. By publishing this manual, the Comptroller's office is making available an information resource of a general nature regarding the appraisal of property and the administration of taxes. This publication does not address and is not intended to address all aspects of property appraisal, tax administration or property tax law. The information contained in this publication neither constitutes nor serves as a substitute for legal advice. Pursuant to Tax Code Section 5.041(f), the Comptroller's office may not advise a property owner, a property owner's agent or the appraisal district on a protest matter. Questions regarding property appraisal, tax administration, the meaning or interpretation of statutes, legal requirements and other similar matters should, as appropriate or necessary, be directed to an attorney or other appropriate counsel.



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# Introduction

Appraisal districts are responsible for appraising property in the district for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in the district.<sup>1</sup> An appraisal district is established in each county and has the same boundaries as the county's boundaries.<sup>2</sup> An appraisal district is a political subdivision of the state that is governed by a board of directors.<sup>3</sup>

Common abbreviations and terms used in this manual are:

**ARB** – appraisal review board

**CAD** – county appraisal district

**TAC** – tax assessor-collector

**TDLR** – Texas Department of Licensing and Regulation

Voting taxing units – taxing units that are entitled to vote on the appointment of members to the board of directors.

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<sup>1</sup> Tex. Tax Code §6.01(b)

<sup>2</sup> Tex. Tax Code §§6.01(a) and 6.02(a)

<sup>3</sup> Tex. Tax Code §§6.01(c) and 6.03(a)





# Governance

## Composition of Board of Directors

The board of directors is composed of five members.<sup>4</sup> The number of directors can be increased up to 13 by action of the board of directors.<sup>5</sup> However, in most cases, the board of directors may not make this change if a voting taxing unit adopts a resolution opposing the change.<sup>6</sup>

Taxing units participating in the CAD may increase the number of directors up to 13 members if three-fourths of voting taxing units adopt resolutions.<sup>7</sup> A change is not valid if it reduces the voting entitlement of one or more taxing units (unless the taxing unit adopts one of two specified resolutions) or if it expands the types of taxing units that are entitled to vote on the appointment of directors.<sup>8</sup>

The county TAC is a nonvoting director, if not appointed as a voting director.<sup>9</sup> If a commissioner's court of the county enters into a contract for assessment and collections under Tax Code Section 6.24(b) or if the CAD board of directors enters into a contract for appraisal under Tax Code Section 6.05(b), then the county TAC is ineligible to serve on the board of directors.<sup>10</sup>

## Appointment, Eligibility and Terms

**Appointment:** Taxing units—counties, cities/towns, school districts, junior colleges and certain conservation and reclamation districts—select directors in the fall of odd-numbered years.<sup>11</sup> Conservation and reclamation districts may participate in this process if at least one conservation and reclamation district in



the CAD delivers to the chief appraiser a written request to nominate and vote on the board of directors by June 1 of each odd-numbered year.<sup>12</sup> On request, the chief appraiser must certify all eligible conservation and reclamation districts that are imposing taxes and that participate in the CAD by June 15.<sup>13</sup>

The board of directors is selected by appointment; it is not an election governed by the Texas Election Code.<sup>14</sup> The method or procedure for appointing members can be changed by the board of directors or by three-fourths of the voting taxing units acting through resolutions.<sup>15</sup>

The voting entitlement of a taxing unit is determined by a calculation that takes into account a taxing unit's share of the total dollar amount of property taxes imposed in the CAD.<sup>16</sup> The chief appraiser makes this calculation for each taxing unit (other than conservation and reclamation districts) and delivers written notice before Oct. 1 of each odd-numbered year of the number of votes to which each taxing unit is entitled.<sup>17</sup> Each taxing unit (other than a conservation and reclamation district) that is entitled to vote may submit to the chief appraiser one nominee for each position to be filled before Oct. 15.<sup>18</sup>

The chief appraiser also must calculate the number of votes that an eligible conservation and reclamation district is entitled to and must deliver before July 1 of each odd-numbered year, a written notice to the district of its voting entitlement

<sup>4</sup> Tex. Tax Code §6.03(a)

<sup>5</sup> Tex. Tax Code §6.031(a)

<sup>6</sup> Tex. Tax Code §6.031(a)

<sup>7</sup> Tex. Tax Code §6.031(b)

<sup>8</sup> Tex. Tax Code §6.031(b)

<sup>9</sup> Tex. Tax Code §6.03(a)

<sup>10</sup> Tex. Tax Code §6.03(a)

<sup>11</sup> Tex. Tax Code §6.03

<sup>12</sup> Tex. Tax Code §6.03(c)

<sup>13</sup> Tex. Tax Code §6.03(c)

<sup>14</sup> Tex. Att'y Gen. Op. JM-166 (1984)

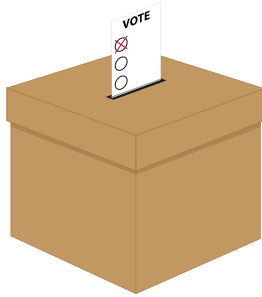
<sup>15</sup> Tex. Tax Code §6.031(a) and (b)

<sup>16</sup> Tex. Tax Code §6.03(d)

<sup>17</sup> Tex. Tax Code §6.03(e)

<sup>18</sup> Tex. Tax Code §6.03(g)

and right to nominate one candidate for director.<sup>19</sup> All eligible conservation and reclamation districts must submit the name of the district's nominee to the chief appraiser before July 15 of each odd-numbered year.<sup>20</sup> Before Aug. 1, the chief appraiser must prepare a nominating ballot listing all the nominees of conservation and reclamation districts and deliver a ballot to the presiding officer of the board of directors of each district.<sup>21</sup> The board of directors of each district must submit its vote for the nominee of conservation and reclamation districts before Aug. 15.<sup>22</sup> The winning nominee of the conservation and reclamation districts in the CAD becomes a nominee for CAD director.<sup>23</sup>



The chief appraiser must prepare a ballot before Oct. 30 with candidates whose names were timely submitted, including the nominee of conservation and reclamation districts if applicable.<sup>24</sup> Each taxing unit entitled to vote must determine its vote by resolution and submit it to the chief appraiser before Dec.

15.<sup>25</sup> The five candidates who receive the largest cumulative vote totals become the board of directors.<sup>26</sup> The chief appraiser announces the new directors before Dec. 31.<sup>27</sup> Ties must be resolved by the chief appraiser by any method of chance.<sup>28</sup>

Both the board of directors and taxing units may propose to change the method or procedure for appointing directors.<sup>29</sup> If the board of directors makes the proposal, then a voting taxing unit may veto the proposal by filing a resolution before Sept. 1.<sup>30</sup> If a participating taxing unit proposes a change, the change is adopted if three-fourths of the voting taxing units adopt resolutions providing for the change.<sup>31</sup> A resolution to change the method or procedure for appointing directors must be filed with the chief appraiser after June 30 and before

Oct. 1 of a year in which members are appointed, or the resolution is ineffective.<sup>32</sup>

Throughout the selection process, the Tax Code specifies dates for action by the chief appraiser and the taxing units. The dates provided in Tax Code Section 6.03(f) and (g) are directory and not mandatory.<sup>33</sup> However, the advice of legal counsel should be obtained in such situations.

**Eligibility:** To be eligible to serve on a board of directors, an individual must be a resident of the CAD and must have resided in the CAD for at least two years immediately preceding the date of taking office.<sup>34</sup> This residency requirement does not apply to a county TAC serving as a nonvoting director.<sup>35</sup>

An employee of a taxing unit that participates in the CAD is not eligible to serve on the board of directors, unless that individual also is a member of the governing body of the taxing unit or an elected official of a taxing unit.<sup>36</sup> Membership on the governing body of a taxing unit does not make an otherwise eligible individual ineligible to serve on the board of directors.<sup>37</sup>

Owing delinquent property taxes disqualifies a person from serving on the CAD board of directors.<sup>38</sup> The person is ineligible if he or she owns property on which delinquent property taxes have been owed for more than 60 days after the date the person knew or should have known of the delinquency.<sup>39</sup> This disqualification does not apply if the person is paying the delinquent taxes and any penalties and interest under an installment payment agreement or has deferred or abated a suit to collect the delinquent taxes.<sup>40</sup>

A person who has appraised property for compensation for use in proceedings or represented property owners for compensation in proceedings in the CAD at any time within the preceding five years is ineligible to serve on the board of directors.<sup>41</sup>

<sup>19</sup> Tex. Tax Code §6.03(f) and (h)

<sup>20</sup> Tex. Tax Code §6.03(h)

<sup>21</sup> Tex. Tax Code §6.03(h)

<sup>22</sup> Tex. Tax Code §6.03(h)

<sup>23</sup> Tex. Tax Code §6.03(h)

<sup>24</sup> Tex. Tax Code §6.03(j)

<sup>25</sup> Tex. Tax Code §6.03(k)

<sup>26</sup> Tex. Tax Code §6.03(k)

<sup>27</sup> Tex. Tax Code §6.03(k)

<sup>28</sup> Tex. Tax Code §6.03(k)

<sup>29</sup> Tex. Tax Code §6.031(a) and (b)

<sup>30</sup> Tex. Tax Code §6.031(a)

<sup>31</sup> Tex. Tax Code §6.031(b)

<sup>32</sup> Tex. Tax Code §6.031(c)

<sup>33</sup> Tex. Att'y Gen. Op. JM-166 (1984)

<sup>34</sup> Tex. Tax Code §6.03(a)

<sup>35</sup> Tex. Tax Code §6.03(a)

<sup>36</sup> Tex. Tax Code §6.03(a)

<sup>37</sup> Tex. Tax Code §6.03(a)

<sup>38</sup> Tex. Tax Code §6.035(a)(2)

<sup>39</sup> Tex. Tax Code §6.035(a)(2)

<sup>40</sup> Tex. Tax Code §6.035(a)(2)

<sup>41</sup> Tex. Tax Code §6.035(a-1)

## Degrees of Consanguinity and Affinity

1 <sup>st</sup> DEGREE	2 <sup>nd</sup> DEGREE	3 <sup>rd</sup> DEGREE
<b>By Consanguinity</b> <ul style="list-style-type: none"> <li>• Parents</li> <li>• Children</li> </ul> <b>By Affinity</b> <ul style="list-style-type: none"> <li>• Spouses of relatives listed under first degree consanguinity</li> <li>• Spouse</li> <li>• Spouse's parents</li> <li>• Spouse's children</li> <li>• Stepparents</li> <li>• Stepchildren</li> </ul>	<b>By Consanguinity</b> <ul style="list-style-type: none"> <li>• Grandparents</li> <li>• Grandchildren</li> <li>• Brothers &amp; sisters</li> </ul> <b>By Affinity</b> <ul style="list-style-type: none"> <li>• Spouses of relatives listed by second degree consanguinity</li> <li>• Spouse's grandparents</li> <li>• Spouse's grandchildren</li> <li>• Spouse's brothers &amp; sisters</li> </ul>	<b>By Consanguinity</b> <ul style="list-style-type: none"> <li>• Great grandparents</li> <li>• Great grandchildren</li> <li>• Nieces &amp; nephews</li> <li>• Aunts &amp; uncles</li> </ul> <b>By Affinity</b> <ul style="list-style-type: none"> <li>• No prohibitions</li> </ul>

A person is ineligible to serve on the board of directors if the individual is related within the second degree of consanguinity (blood) or affinity (marriage) to the following:

- an appraiser who appraises property for use in a proceeding under the Tax Code; or
- a person who represents property owners for compensation in proceedings under the Tax Code in the CAD.<sup>42</sup>

A director who continues to hold office knowing he or she is related in this manner to the above named persons commits a Class B misdemeanor offense.<sup>43</sup>

An individual is not eligible to be appointed to or to serve on the board of directors if an individual has a substantial interest in a business entity that is party to a contract or the individual is a party to a contract with the CAD.<sup>44</sup> This prohibition also applies to contracts with a taxing unit that participates in the CAD if the contract relates to the performance of an activity governed by the Tax Code.<sup>45</sup> A CAD may not enter into a contract with a board member or with a business entity in which a board member has a substantial interest.<sup>46</sup> A taxing unit may not enter into a contract relating to the performance of an activity governed by the Tax Code with a board member in which

the taxing unit participates or with a business entity in which a board member has a substantial interest.<sup>47</sup>

An individual has substantial interest in a business entity if:

- the combined ownership of the director and the director's spouse is at least 10 percent of the voting stock or shares of the business entity; or
- the director or director's spouse is a partner, limited partner or officer of the business entity.<sup>48</sup>



**Term of Office and Vacancy:** CAD directors serve two-year terms.<sup>49</sup> Each term begins on Jan. 1 of an even-numbered year.<sup>50</sup> The two-year term of office does not apply to the county TAC who serves as a nonvoting director.<sup>51</sup>

Voting taxing units may adopt staggered one and two-year terms.<sup>52</sup> To adopt staggered terms, taxing units must take two actions.<sup>53</sup> First, at least three-fourths of the voting taxing units

<sup>42</sup> Tex. Tax Code §6.035(a)(1)

<sup>43</sup> Tex. Tax Code §6.035(b)

<sup>44</sup> Tex. Tax Code §6.036(a)

<sup>45</sup> Tex. Tax Code §6.036(a)

<sup>46</sup> Tex. Tax Code §6.036(b)

<sup>47</sup> Tex. Tax Code §6.036(c)

<sup>48</sup> Tex. Tax Code §6.036(d)

<sup>49</sup> Tex. Tax Code §6.03(b)

<sup>50</sup> Tex. Tax Code §6.03(b)

<sup>51</sup> Tex. Tax Code §6.03(b)

<sup>52</sup> Tex. Tax Code §6.034(a)

<sup>53</sup> Tex. Tax Code §6.034(a)

are required to adopt resolutions for staggered terms.<sup>54</sup> Second, the voting taxing units must have changed the method for appointing members to end cumulative voting (casting all or part of the votes to which the taxing unit is entitled). These two actions may be proposed concurrently.<sup>55</sup>

A resolution proposing staggered terms must be filed with the chief appraiser after June 30 and before Oct. 1.<sup>56</sup> If the chief appraiser determines that enough taxing units filed valid resolutions, he or she must notify all taxing units of the change before Oct. 10.<sup>57</sup> Staggered terms take effect on Jan. 1 of the next even-numbered year.<sup>58</sup> To start staggering terms, all members are appointed for that year without regard to staggered terms.<sup>59</sup> At the earliest practical date after Jan. 1, the board determines by lot which of its members will serve one- and two-year terms.<sup>60</sup>

Boards with an even number of members divide the one- and two-year terms in half. Boards with an odd number of members must have one more member with a two-year term than members with one-year terms.<sup>61</sup> For example, a six-member board would choose three members to serve one-year terms. A five-member board would choose two.

For each director's term that expires on Jan. 1, the CAD must annually appoint directors for a term that begins on that Jan. 1.<sup>62</sup>

Staggered terms may be rescinded by resolution of a majority of voting taxing units.<sup>63</sup> The resolution must be adopted and filed with the chief appraiser after June 30 and before Oct. 1 of odd-numbered years.<sup>64</sup> After a valid rescission, the terms of all current members expire on the next Jan. 1, even if a member will have only served one year of a two-year term.<sup>65</sup> The entire board will be appointed for two-year terms on that date.<sup>66</sup> Staggered terms are automatically rescinded

if the CAD makes a change in the method of appointing board members that results in a method of using cumulative voting.<sup>67</sup>

Board members may not receive compensation for service on the board but are entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties.<sup>68</sup> This reimbursement is as provided by the budget adopted the board of directors.<sup>69</sup>



If a vacancy occurs on the board, each voting taxing unit nominates by resolution a candidate to fill the vacancy.<sup>70</sup> Within 45 days after receiving notice from the board of

directors that a vacancy exists, a taxing unit must submit the nomination to the chief appraiser.<sup>71</sup> The chief appraiser delivers a list of the nominees to the directors within the next five days.<sup>72</sup> Directors select by majority vote one of the nominees to fill the vacancy.<sup>73</sup> If a vacancy occurs for a board with staggered terms, the vacancy is filled by appointment of the voting taxing unit that nominated the person whose departure caused the vacancy.<sup>74</sup>

## Conflicts of Interest

Board members are subject to conflict of interest provisions in law, including Tax Code Section 6.036 which excludes certain individuals from serving on the board of directors. Local Government Code Chapter 171 applies to all local officials, including boards of directors of CADs. Local Government Code Chapter 176 applies to officers of political subdivisions of the state.<sup>75</sup>

For more information, see the Texas Ethics Commission's conflict of interest forms at [www.ethics.state.tx.us/filinginfo/conflict\\_forms.htm](http://www.ethics.state.tx.us/filinginfo/conflict_forms.htm).

<sup>54</sup> Tex. Tax Code §6.034(a)

<sup>55</sup> Tex. Tax Code §6.034(a)

<sup>56</sup> Tex. Tax Code §6.034(b)

<sup>57</sup> Tex. Tax Code §6.034(c)

<sup>58</sup> Tex. Tax Code §6.034(d)

<sup>59</sup> Tex. Tax Code §6.034(d)

<sup>60</sup> Tex. Tax Code §6.034(d)

<sup>61</sup> Tex. Tax Code §6.034(d)

<sup>62</sup> Tex. Tax Code §6.034(e)

<sup>63</sup> Tex. Tax Code §6.034(g)

<sup>64</sup> Tex. Tax Code §6.034(g)

<sup>65</sup> Tex. Tax Code §6.034(g)

<sup>66</sup> Tex. Tax Code §6.034(g)

<sup>67</sup> Tex. Tax Code §6.034(h)

<sup>68</sup> Tex. Tax Code §6.04(c)

<sup>69</sup> Tex. Tax Code §6.04(c)

<sup>70</sup> Tex. Tax Code §6.03(l)

<sup>71</sup> Tex. Tax Code §6.03(l)

<sup>72</sup> Tex. Tax Code §6.03(l)

<sup>73</sup> Tex. Tax Code §6.03(l)

<sup>74</sup> Tex. Tax Code §6.034(i)

<sup>75</sup> Tex. Local Government Code §171.001(1) and §176.001(3) and (4)

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## Ex Parte Communications

A board member commits a Class C misdemeanor offense if the member directly or indirectly communicates with the chief appraiser on any matter relating to the appraisal of property by the CAD.<sup>76</sup> However, this type of communication is allowed in:

- an open meeting of the CAD board of directors or another public forum; or
- a closed meeting of the board of directors held to consult with its attorney about pending litigation, at which the chief appraiser's presence is necessary for full communication between the board and its attorney.<sup>77</sup>

These ex parte communication provisions do not apply to a routine communication between the chief appraiser and the county TAC relating to the administration of an appraisal roll, including a communication made in connection with the certification, correction or collection of an account.<sup>78</sup> This exception applies regardless of whether the county TAC was appointed to the board of directors or serves as a nonvoting director.<sup>79</sup>

## Oath of Office



The Texas Constitution requires all elected and appointed officers to sign an anti-bribery statement and take an oath of office before beginning the duties of the office.<sup>80</sup>

The constitutionally prescribed anti-bribery statement is located on the Secretary of State's website as Form 2201 at [www.sos.state.tx.us/statdoc/forms/2201.pdf](http://www.sos.state.tx.us/statdoc/forms/2201.pdf). A director signs this statement before the oath of office is administered.<sup>81</sup> Directors should retain the statement in the official records of the appraisal district.<sup>82</sup>

The official oath of office is found on the Secretary of State's website as Form 2204 at [www.sos.state.tx.us/statdoc/forms/2204.pdf](http://www.sos.state.tx.us/statdoc/forms/2204.pdf).

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<sup>76</sup> Tex. Tax Code §6.15(a) and (d)

<sup>77</sup> Tex. Tax Code §6.15(a)

<sup>78</sup> Tex. Tax Code §6.15(c)

<sup>79</sup> Tex. Tax Code §6.15(c)

<sup>80</sup> Tex. Const. XVI, §1(a) and (b)

<sup>81</sup> Tex. Const. XVI, §1

<sup>82</sup> Tex. Const. XVI, §1(c)

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## Recalling a Director

A taxing unit may ask for the recall of any director the taxing unit voted for in the appointment process.<sup>83</sup> A recall starts when a taxing unit files a resolution with the chief appraiser stating that the taxing unit is calling for the recall of a named member.<sup>84</sup> Within 10 days after a taxing unit files a recall resolution, the chief appraiser must give written notice of the filing of the resolution to the presiding officer of each voting taxing unit.<sup>85</sup>

Only the taxing units that voted for the member may vote.<sup>86</sup> A recall-voting taxing unit has the same number of votes in the recall that it cast in appointing the board member.<sup>87</sup> A taxing unit votes by submitting a resolution to the chief appraiser on or before the 30th day after the recall resolution is filed.<sup>88</sup>

Not later than the 10th day after the last day for voting in favor of the recall, the chief appraiser must count the casted votes.<sup>89</sup> A director is recalled if the number of votes cast in favor of recall equals or exceeds a majority of the votes cast appointing the board member.<sup>90</sup> The chief appraiser must immediately notify in writing the presiding officer of the board of directors and the governing body of each recall-voting taxing unit of the results.<sup>91</sup> If the chair is the subject of the recall, the board secretary shall also be notified.<sup>92</sup>

After a recall, the director's vacancy is filled by the recall-voting taxing units appointing a new board member.<sup>93</sup> Each recall-voting taxing unit may nominate by resolution one candidate and is entitled to the same number of votes it originally cast to appoint the recalled member.<sup>94</sup>

On or before the 15th day after the last day nominations must be submitted, the chief appraiser must prepare a ballot and deliver a copy of the ballot to the presiding officer of the governing body of each taxing unit that is entitled to vote to fill

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<sup>83</sup> Tex. Tax Code §6.033(a)

<sup>84</sup> Tex. Tax Code §6.033(a)

<sup>85</sup> Tex. Tax Code §6.033(a)

<sup>86</sup> Tex. Tax Code §6.033(b)

<sup>87</sup> Tex. Tax Code §6.033(b)

<sup>88</sup> Tex. Tax Code §6.033(b)

<sup>89</sup> Tex. Tax Code §6.033(c)

<sup>90</sup> Tex. Tax Code §6.033(c)

<sup>91</sup> Tex. Tax Code §6.033(c)

<sup>92</sup> Tex. Tax Code §6.033(c)

<sup>93</sup> Tex. Tax Code §6.033(d)

<sup>94</sup> Tex. Tax Code §6.033(d)

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the vacancy.<sup>95</sup> A taxing unit determines its vote by resolution and submits it to the chief appraiser.<sup>96</sup> The chief appraiser counts the votes on or before the 15th day after the last day on which a taxing unit may vote, declares the winner who received the largest vote total and notifies the chair of the board of directors, each taxing unit and the candidates.<sup>97</sup> The chief appraiser must resolve a tie vote by any method of chance.<sup>98</sup>

If the board of directors is appointed by another method or procedure adopted under Tax Code Section 6.031, the taxing units that voted for or participated in the appointment of the director may recall him or her and appoint a new director by any method adopted by resolution of a majority of recall-voting taxing units.<sup>99</sup> If the appointment was by election, the method of recall and appointing a new director to the vacancy is not valid unless it provides that each taxing unit is entitled to the same number of votes it cast for the member being recalled.<sup>100</sup>

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<sup>95</sup> Tex. Tax Code §6.033(d)

<sup>96</sup> Tex. Tax Code §6.033(d)

<sup>97</sup> Tex. Tax Code §6.033(d)

<sup>98</sup> Tex. Tax Code §6.033(d)

<sup>99</sup> Tex. Tax Code §6.033(e)

<sup>100</sup> Tex. Tax Code §6.033(e)





# Board Duties, Authority and Policies

A board of directors has required duties and authority under the Tax Code. Other additional duties and authority are provided for in other law. Consult an attorney regarding all legal duties and authority.

## Primary Duties

The following is a nonexclusive list of the primary responsibilities of the board of directors under the Tax Code:

Establish the appraisal district office;<sup>101</sup>

Hire a chief appraiser;<sup>102</sup>

Adopt the CAD's annual operating budget before Sept. 15 after fulfilling notice requirements and holding a public hearing;<sup>103</sup>

Adopt a new budget within 30 days after a budget is disapproved by voting taxing units;<sup>104</sup>

Appoint appraisal review board (ARB) members in counties with a population of less than 120,000;<sup>105</sup>

Select a chairman and a secretary from among ARB members;<sup>106</sup>

Notify taxing units of any vacancy on the board and elect by majority vote of members one of the submitted nominees;<sup>107</sup>

Elect from members a chair and secretary at the first meeting of the calendar year;<sup>108</sup>

Have board meetings at least once each calendar quarter;<sup>109</sup>

Develop and implement policies regarding reasonable access to the board;<sup>110</sup>

Prepare information describing the board's functions and complaint procedures; the information must be made available to the public and the appropriate taxing units;<sup>111</sup>

Notify parties to a complaint filed with the board of the status of the complaint unless otherwise provided;<sup>112</sup>

Appoint a taxpayer liaison officer (in counties having a population of over 120,000);<sup>113</sup>

Biennially develop a written plan for the periodic reappraisal of all property in the CAD's boundaries, hold a public hearing with the required notice, approve a plan by Sept. 15 of each even-numbered year and distribute copies to participating taxing units and to the Comptroller's office as required;<sup>114</sup>

Make an agreement with newly formed taxing unit's governing body on an estimated budget allocation for the new taxing unit;<sup>115</sup>

Have prepared an annual financial audit conducted by an independent certified public accountant and deliver a copy of the audit to each voting taxing unit and make available for inspection at the CAD office;<sup>116</sup>

Designate the CAD depository at least once every two years;<sup>117</sup>

Receive taxing units' resolutions disapproving board actions;<sup>118</sup>

Adhere to requirements regarding purchasing and contracting under Local Government Code Chapter 252;<sup>119</sup>

Provide advice and consent to the chief appraiser concerning the appointment of an agricultural appraisal advisory board and determine the number of members on that advisory board;<sup>120</sup>

Adhere to laws concerning the preservation, microfilming, destruction or other disposition of records; and<sup>121</sup>

Adopt and implement a policy for the temporary replacement of an ARB member who violates ex-parte communication requirements.<sup>122</sup>

<sup>101</sup> Tex. Tax Code §6.05(a)

<sup>102</sup> Tex. Tax Code §6.05(c)

<sup>103</sup> Tex. Tax Code §6.06(b)

<sup>104</sup> Tex. Tax Code §6.06(b)

<sup>105</sup> Tex. Tax Code §§6.41(d) and (d-1) and 6.42(a)

<sup>106</sup> Tex. Tax Code §6.42(a)

<sup>107</sup> Tex. Tax Code §6.03(l)

<sup>108</sup> Tex. Tax Code §6.04(a)

<sup>109</sup> Tex. Tax Code §6.04(b)

<sup>110</sup> Tex. Tax Code §6.04(d) and (e)

<sup>111</sup> Tex. Tax Code §6.04(f)

<sup>112</sup> Tex. Tax Code §6.04(g)

<sup>113</sup> Tex. Tax Code §6.052(a)

<sup>114</sup> Tex. Tax Code §6.05(i)

<sup>115</sup> Tex. Tax Code §6.06(h)

<sup>116</sup> Tex. Tax Code §6.063(a) and (b)

<sup>117</sup> Tex. Tax Code §6.09

<sup>118</sup> Tex. Tax Code §6.10

<sup>119</sup> Tex. Tax Code §6.11

<sup>120</sup> Tex. Tax Code §6.12(a)

<sup>121</sup> Tex. Tax Code §6.13

<sup>122</sup> Tex. Tax Code §41.66(g)

## Statutory Authority

Tax Code Chapter 6 contains much of the statutory authority for boards of directors. The following is a non-exclusive list of boards' authority:

Provide for the operation of a consolidated CAD by interlocal contract between two or more adjoining CADs;<sup>123</sup>

Change the number of directors or method of selecting directors, or both, unless any of the voting taxing units oppose the change;<sup>124</sup>

Have board meetings at any time at the call of the chair or as provided by board rule;<sup>125</sup>

Contract with another CAD or with a taxing unit in the CAD to perform the duties of the appraisal district office;<sup>126</sup>

Prescribe, by resolution, specified actions of the chief appraiser relating to CAD finances or administration that are subject to board approval;<sup>127</sup>

Employ a general counsel to the CAD to serve at the will of the board;<sup>128</sup>

Purchase or lease real property and construct improvements necessary to establish and operate an appraisal district office or branch office;<sup>129</sup>

Convey real property owned by the CAD;<sup>130</sup>

Amend the approved operating budget after giving notice to participating taxing units not later than the 30th day before the date the board acts on the proposed amendment;<sup>131</sup>

Authorize the chief appraiser to disburse CAD funds;<sup>132</sup>

Change the CAD's method of financing unless any participating taxing unit opposes the change;<sup>133</sup>

Contract with the governing body of a taxing unit or county to assess and collect taxes through the Interlocal Cooperation Act;<sup>134</sup>

Change the number of ARB members; and<sup>135</sup>

Appoint auxiliary ARB members and select the number of auxiliary members by resolution, except in certain counties.<sup>136</sup>

The Tax Code also provides certain statutory authority to the board of directors outside of Chapter 6, including authorizing a board of directors to approve the chief appraiser to contract with private appraisal firms to perform appraisal services under Tax Code Section 25.01(b). On written approval of the board of directors, a chief appraiser is entitled to appeal certain ARB orders to district court as provided by Tax Code Section 42.02.

## Limited Appraisal Authority

The board's appraisal authority is limited. The board does not appraise property or review values on individual properties. The law assigns these tasks to the chief appraiser and the ARB, respectively. The board of directors does have the authority to give written approval for a chief appraiser to appeal certain ARB orders in court.<sup>137</sup>

The board has authority over appraisal policy through the following duties and authority:

- duty to develop biennially a written plan for periodic reappraisal;<sup>138</sup>
- duty to adopt an operating budget to reflect the board's decisions on handling appraisals;<sup>139</sup>
- authority to contract with another CAD or with a taxing unit in the CAD to perform the duties of the appraisal district's office; and<sup>140</sup>
- authority to approve the chief appraiser to contract with private appraisal firms to perform appraisal services.<sup>141</sup>

## Meetings



At the board of directors' first meeting each calendar year, the board must elect from its members a chairman and a secretary.<sup>142</sup> A nonvoting TAC may serve as chairman or secretary.<sup>143</sup> A majority of the CAD board of directors constitutes a quorum.<sup>144</sup> A TAC who is

<sup>123</sup> Tex. Tax Code §6.02

<sup>124</sup> Tex. Tax Code §6.031(a)

<sup>125</sup> Tex. Tax Code §6.04(b)

<sup>126</sup> Tex. Tax Code §6.05(b)

<sup>127</sup> Tex. Tax Code §6.05(h)

<sup>128</sup> Tex. Tax Code §6.05(j)

<sup>129</sup> Tex. Tax Code §6.051(a)

<sup>130</sup> Tex. Tax Code §6.051(c)

<sup>131</sup> Tex. Tax Code §6.06(c)

<sup>132</sup> Tex. Tax Code §6.06(f)

<sup>133</sup> Tex. Tax Code §6.061(a)

<sup>134</sup> Tex. Tax Code §6.24(a) and (b)

<sup>135</sup> Tex. Tax Code §6.41(b)

<sup>136</sup> Tex. Tax Code §6.414

<sup>137</sup> Tex. Tax Code §42.02(a) and (c)

<sup>138</sup> Tex. Tax Code §6.05(i)

<sup>139</sup> Tex. Tax Code §6.06(b)

<sup>140</sup> Tex. Tax Code §6.05(b)

<sup>141</sup> Tex. Tax Code §25.01(b)

<sup>142</sup> Tex. Tax Code §6.04(a)

<sup>143</sup> Tex. Att'y Gen. Op. JC-0580 (2002)

<sup>144</sup> Tex. Tax Code §6.04

a nonvoting member is counted in determining the presence of a quorum.<sup>145</sup>

The board may meet at any time at the call of the chairman or as provided by board rule.<sup>146</sup> However, the board must meet at least once each calendar quarter.<sup>147</sup>

The board must provide reasonable time at meetings for public comment on CAD and ARB policies and procedures and allow a reasonable amount of time for a taxpayer liaison officer's report if applicable.<sup>148</sup>

## Disapproval of Board Actions

At times, the board of directors may take an action with which the majority of voting taxing units may disagree. Under Tax Code Section 6.10, a majority of voting taxing units may veto any action by the board of directors.<sup>149</sup> This disapproval power under Tax Code Section 6.10 does not apply to the adoption of the budget by the board.<sup>150</sup>

To veto a board action other than the budget, the governing bodies of a majority of voting taxing units must adopt resolutions disapproving the action.<sup>151</sup> The voting taxing units must file the resolutions with the board's secretary within 15 days after the action is taken.<sup>152</sup> The board action is revoked effective the day after the day on which the required number of resolutions is filed.<sup>153</sup>

For voting taxing units to disapprove the CAD budget, a majority of the taxing units must file a resolution with the board's secretary within 30 days after the budget is adopted.<sup>154</sup>

## Written Policies

Through its policies, the board determines the CAD's goals and operates as the decision-making body of the CAD. While the Tax Code requires boards of directors to develop written

policies on certain issues, a written policy covering all operational aspects of CAD operations should be considered.

Written procedures and policies are good management tools. A policy manual allows the board to make important decisions carefully and in advance, rather than in response to crisis situations. They permit the CAD's operations to continue uninterrupted if key employees leave. A policy manual also helps educate the public and others about CAD operations.

Examples of policies of boards of directors can be found at [comptroller.texas.gov/taxinfo/proptax/bodpolicies/](http://comptroller.texas.gov/taxinfo/proptax/bodpolicies/).

## Required Policies



State law requires the board to have written policies on specific issues. The board must:

- develop and implement policies that provide the public with reasonable opportunity to appear before the board to speak on any issue under the board's jurisdiction;<sup>155</sup>
- prepare and maintain a written plan that describes how a non-English speaking person or a person who has a physical, mental or developmental disability may be provided reasonable access to the board; and<sup>156</sup>
- prepare information of public interest describing the board's functions and procedures to file complaints and how complaints are resolved by the board.<sup>157</sup>

The board must biennially develop a written reappraisal plan for the periodic reappraisal of all property in the CAD's boundaries by Sept. 15 of each even-numbered year.<sup>158</sup> The plan is required to comply with Tax Code Section 25.18.<sup>159</sup> Certain activities are required to be conducted in the reappraisal of all real and personal property located in the CAD at least once every three years.<sup>160</sup> In summary, those activities are the following:

- identifying properties by physical inspection or other reliable means of identification (such as deeds or other legal

<sup>145</sup> Tex. Att'y Gen. Op. JC-0580 (2002)

<sup>146</sup> Tex. Tax Code §6.04(b)

<sup>147</sup> Tex. Tax Code §6.04(b)

<sup>148</sup> Tex. Tax Code §6.04(d)

<sup>149</sup> Tex. Tax Code §6.10

<sup>150</sup> Tex. Tax Code §6.10

<sup>151</sup> Tex. Tax Code §6.10

<sup>152</sup> Tex. Tax Code §6.10

<sup>153</sup> Tex. Tax Code §6.10

<sup>154</sup> Tex. Tax Code §6.06(b)

<sup>155</sup> Tex. Tax Code §6.04(d)

<sup>156</sup> Tex. Tax Code §6.04(e)

<sup>157</sup> Tex. Tax Code §6.04(f)

<sup>158</sup> Tex. Tax Code §6.05(i)

<sup>159</sup> Tex. Tax Code §6.05(i)

<sup>160</sup> Tex. Tax Code §25.18(b)

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documentation, aerial or land-based photographs, surveys, maps and sketches);

- identifying and updating property characteristics;
- defining market areas;
- identifying property characteristics affecting value in market areas (such as location and market area of property, physical attributes of property, legal and economic attributes and legal restrictions);
- developing an appraisal model that reflects the relationship among property characteristics affecting value in each market area and determines the contribution of individual property characteristics;
- applying the conclusions from the model to the characteristics of individual properties; and
- reviewing the appraisal results to determine value.<sup>161</sup>

Tax Code Section 23.01(b) provides that if a CAD determines the appraised value of a property using mass appraisal standards, those standards must comply with the Uniform Standards of Professional Appraisal Practice.

The board of directors must hold a public hearing to consider the proposed plan and provide written notice to each participating taxing unit of the hearing not later than the 10th day before the hearing.<sup>162</sup> After holding the public hearing and approving a plan by Sept. 15 of each even-numbered year, the board of directors must distribute copies of the plan to the participating taxing units and to the Comptroller's office within 60 days of the approval date.<sup>163</sup>

The board of directors may include language in the reappraisal plan to give the chief appraiser discretion to make limited changes, especially as they relate to the work plan or schedule of appraisal activities, without the need for additional board approval or plan amendment. This limited authority would allow the chief appraiser to make timeline adjustments to meet staffing needs or to address other management issues.

In order to ensure timely compliance with the reappraisal plan, the board of directors should consider conducting an annual review of plan implementation. Attention to completion of tasks according to the appraisal work plan or schedule should be given, along with completion of reappraisal activities for all identified market areas.

If the plan requires revision because of staff reductions, changes in market areas, unexpected circumstances, or any other reason deemed appropriate by the board of directors, it may be amended by official action, without the board of directors conducting another public hearing. Copies of the amended reappraisal plan should be distributed to the participating taxing units and the Comptroller's office.

A CAD board of directors also must adopt and implement a policy for the temporary replacement of an ARB member who has communicated with another person in violation of ex parte communication provisions.<sup>164</sup> An ARB member may not communicate with another person concerning the evidence, argument, facts, merits or any other matters related to an owner's protest, except during the hearing on the protest.<sup>165</sup> An ARB member also may not communicate with another person concerning a property that is the subject of the protest, except during a hearing on another protest or other proceeding before the board at which the property is compared to other property or used in a sample of properties.<sup>166</sup>

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<sup>161</sup> Tex. Tax Code §25.18(b)

<sup>162</sup> Tex. Tax Code §6.05(i)

<sup>163</sup> Tex. Tax Code §6.05(i)

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<sup>164</sup> Tex. Tax Code §41.66(g)

<sup>165</sup> Tex. Tax Code §41.66(f)

<sup>166</sup> Tex. Tax Code §41.66(f)



# Appointing the Chief Appraiser

The chief appraiser is the chief administrator of the CAD.<sup>167</sup> The chief appraiser is generally appointed by and serves at the pleasure of the CAD board of directors;<sup>168</sup> however, the Comptroller's office may appoint a chief appraiser in certain circumstances. If a taxing unit performs the duties of the CAD pursuant to a contract, the assessor for the taxing unit is the chief appraiser.<sup>169</sup>

## Qualifications

To be eligible to serve as a chief appraiser, a person must hold one of the following professional designations:

- Registered Professional Appraiser (RPA) from TDLR;
- MAI from the Appraisal Institute;
- Assessment Administration Specialist from the International Association of Assessing Officers (IAAO);
- Certified Assessment Evaluator from IAAO; or
- Residential Evaluation Specialist from IAAO.<sup>170</sup>

A chief appraiser with a professional designation other than an RPA, must become certified with TDLR as an RPA within five years of appointment as chief appraiser.<sup>171</sup>

A person may not serve as a chief appraiser unless the person has completed the chief appraiser training program prescribed by Occupations Code Section 1151.164.<sup>172</sup> This does not apply to a county TAC who serves as a chief appraiser.<sup>173</sup> It applies only to a chief appraiser appointed on or after July 1, 2006.<sup>174</sup> A person may serve in a temporary, provisional or

interim capacity as chief appraiser for up to one year without completing this training.<sup>175</sup>

Owing delinquent property taxes disqualifies a person from serving as chief appraiser.<sup>176</sup> A person is ineligible for employment as a chief appraiser if he or she owns property on which delinquent property taxes have been owed for more than 60 days after the date the person knew or should have known of the delinquency.<sup>177</sup> This disqualification does not apply if the person is paying the delinquent taxes and any penalties and interest under an installment payment agreement or has deferred or abated a suit to collect the delinquent taxes.<sup>178</sup>

A person is also disqualified from employment as the chief appraiser if the person is related within the second degree by consanguinity or affinity to a person who appraises property for compensation for use in proceedings under the Tax Code or to a person who represents property owners for compensation in such proceedings in the CAD.<sup>179</sup> A chief appraiser who remains employed knowing he or she is related to an appraiser or tax representative as prohibited commits a Class B misdemeanor offense.<sup>180</sup>

A chief appraiser who is not eligible to serve cannot perform any action required by law for chief appraisers, including the preparation, certification or submission of any part of the appraisal roll.<sup>181</sup> A chief appraiser must give written notice of eligibility to serve as chief appraiser to the Comptroller's office no later than Jan. 1 each year.<sup>182</sup> The Comptroller's office will appoint

<sup>167</sup> Tex. Tax Code §6.05(c)

<sup>168</sup> Tex. Tax Code §6.05(c)

<sup>169</sup> Tex. Tax Code §6.05(c)

<sup>170</sup> Tex. Tax Code §6.05(c)

<sup>171</sup> Tex. Tax Code §6.05(c)

<sup>172</sup> Tex. Tax Code §5.042(a)

<sup>173</sup> Tex. Tax Code §5.042(c)

<sup>174</sup> Texas H.B. 2382, 79th Leg., Reg. Sess. (2005)

<sup>175</sup> Tex. Tax Code §5.042(b)

<sup>176</sup> Tex. Tax Code §6.035(a)

<sup>177</sup> Tex. Tax Code §6.035(a)

<sup>178</sup> Tex. Tax Code §6.035(a)

<sup>179</sup> Tex. Tax Code §6.035(a)

<sup>180</sup> Tex. Tax Code §6.035(a)

<sup>181</sup> Tex. Tax Code §6.05(c)

<sup>182</sup> Tex. Tax Code §6.05(c)

an eligible person to perform the duties of chief appraiser for a CAD whose chief appraiser is ineligible to serve.<sup>183</sup>

## Duties and Authority

The CAD board of directors by resolution may prescribe that specified actions of the chief appraiser relating to the finances or administration of the CAD are subject to board approval.<sup>184</sup> The chief appraiser may employ and compensate professional, clerical and other personnel as provided by the CAD budget, with the exception of a general counsel to the CAD.<sup>185</sup> The chief appraiser may delegate authority to his or her employees.<sup>186</sup> The chief appraiser's primary duty is to discover, list, review and appraise all taxable property in the CAD using generally accepted appraisal techniques.

## Compensation

The chief appraiser is entitled to compensation as provided by the budget adopted by the board of directors.<sup>187</sup> The chief appraiser's compensation may not be directly or indirectly linked to an increase in the total market, appraised or taxable value of property in the CAD.<sup>188</sup>

## Conflicts of Interest

The chief appraiser is an officer of the CAD for purposes of the nepotism law in Government Code Chapter 573.<sup>189</sup> A CAD may not employ or contract with an individual or the spouse of an individual who is related to the chief appraiser within the first degree by consanguinity or affinity, as determined under Government Code Chapter 573.<sup>190</sup>

An appraisal performed by a chief appraiser in a private capacity or by an individual related within the second degree by consanguinity or affinity (as determined under Government Code Chapter 573) to the chief appraiser may not be used as evidence in a protest or challenge under Tax Code Chapter 41 or an appeal under Tax Code Chapter 42 concerning property

that is taxable in the CAD in which the chief appraiser is employed.<sup>191</sup>

A chief appraiser commits a Class B misdemeanor offense if the chief appraiser refers a person, whether gratuitously or for compensation, to another person for the purpose of obtaining a property appraisal, whether or not the appraisal is for ad valorem tax purposes.<sup>192</sup>

## Ex Parte Communications

A chief appraiser commits a Class C misdemeanor offense if the chief appraiser directly or indirectly communicates with a member of the board of directors on any matter relating to the appraisal of property by the CAD.<sup>193</sup> This type of communication is allowed in:

- an open meeting of the board of directors or another public forum; or
- a closed meeting of the board of directors held to consult with the board's attorney about pending litigation, at which the chief appraiser's presence is necessary for full communication between the board and the board's attorney.

These ex parte communication provisions do not include a routine communication between the chief appraiser and the county TAC relating to the administration of an appraisal roll.<sup>194</sup> This applies regardless of whether the county TAC is a nonvoting member of board of directors or was appointed.<sup>195</sup>

## Agricultural Appraisal Advisory Board



With the advice and consent of the board of directors, the chief appraiser appoints an agricultural advisory board composed of three or more members as determined by the board.<sup>196</sup> Members must have been CAD residents for at least five years and be landowners of the CAD whose land qualifies for special appraisal of agricultural use, open space agricultural or timber land.<sup>197</sup>

<sup>183</sup> Tex. Tax Code §6.0501(a)

<sup>184</sup> Tex. Tax Code §6.05(h)

<sup>185</sup> Tex. Tax Code §6.05(d)

<sup>186</sup> Tex. Tax Code §6.05(e)

<sup>187</sup> Tex. Tax Code §6.05(d)

<sup>188</sup> Tex. Tax Code §6.05(d)

<sup>189</sup> Tex. Tax Code §6.05(g)

<sup>190</sup> Tex. Tax Code §6.05(g)

<sup>191</sup> Tex. Tax Code §6.035(d)

<sup>192</sup> Tex. Tax Code §6.035(c)

<sup>193</sup> Tex. Tax Code §6.15(b) and (d)

<sup>194</sup> Tex. Tax Code §6.15(c)

<sup>195</sup> Tex. Tax Code §6.15(c)

<sup>196</sup> Tex. Tax Code §6.12(a)

<sup>197</sup> Tex. Tax Code §6.12(b)



The chief appraiser has authority and duties including, but not limited to, the following:

<b>Appraisal</b>	Appraise all taxable property at market value, except as otherwise provided by law	Chapter 23
	Determine eligibility for special appraisal and establish both a market and special value on qualified property	Chapter 23
	Determine whether property qualified for agricultural or timber appraisal has undergone a change of use and send a notice of change of use to the owner	Chapter 23
	Determine exemption eligibility	Section 11.45
	Create procedures for equitable and uniform taxation of inventory	Section 23.12(b)
	Administration of rendition laws	Chapter 22
	Create appraisal records	Section 25.01(a) and Comptroller Rule 9.3004
	Contract, with the approval of the board of directors, with private appraisal firms, if appropriate	Section 25.01(b)
	Certify appraisal roll and other listings to each taxing unit participating in the appraisal district	Section 26.01
	Send notices of appraised value	Section 25.19
	Discover omitted property and adjust the appraisal roll	Section 25.21
<b>ARB</b>	Submit complete appraisal records of all property to the ARB	Section 25.22
	Present supplemental records and other items for ARB consideration	Section 25.23
	Correct records and make reappraisals as ordered by the ARB	Section 41.08
<b>Administration</b>	Prepare the appraisal district budget	Section 6.06(a)
	Give notice of public hearing on the appraisal district budget	Section 6.062
	Appoint agricultural advisory board, with the advice and consent of the board of directors	Section 6.12(a)
	Certify a list by June 15 of all eligible conservation and reclamation districts that are imposing taxes and that participate in the appraisal district on the chief appraiser's receipt of a request by a district to nominate and vote on the board of directors	Section 6.03(c)
	Calculate the number of votes each taxing unit has in appointing the board of directors and provide notice as required	Section 6.03(e) and (f)
	Create the ballot with the candidates for the board of directors, counting the votes, declaring the winners and resolving any ties	Section 6.03(h), (i), (j), (k) and (l)
	Act as the appraisal district's public information officer	Gov't Code Section 552.201
	Issue permits for going out of business sales and send notices of such sales to other entities	Business & Commerce Code Sections 17.835 and 17.84
	Serve as the chief administrator of the appraisal district with responsibility to employ and compensate professional, clerical and other personnel as provided by the budget except for a general counsel to the appraisal district	Section 6.05(c) and (d)
	Notify voting taxing units of any proposed property transactions	Section 6.051(b)
	Proportionally credit excess amounts to the following fiscal year if payments by taxing units to the appraisal district budget exceed the amount actually spent or obligated to be spent during the fiscal year. If a taxing unit has paid it allocated amount but is not allocated part of the appraisal district budget for the following fiscal year, the chief appraiser must refund the proportionate share of the excess funds not later than the 150th day after the end of the fiscal year that payments were made.	Section 6.06(j)
	Determine whether a sufficient number of eligible taxing units have valid resolutions when a change in the appraisal district financing method has been proposed and notify each taxing unit of each change that is adopted	Section 6.061(d)
	Publicize certain Tax Code provisions to residents, including, but not limited to, the availability of agreement forms for electronic communication; the availability of exemption applications; rendering requirements; special appraisal of agricultural land, open space, timber land and restricted-use timberland; the deferred collection of taxes on residence homestead of elderly or disabled person; deferred collection of taxes on appreciating residence homestead; and the right to protest	Sections 1.085, 11.44, 22.21, 23.43, 23.54, 23.75, 23.9804, 33.06, 33.065 and 41.41
	Produce requested materials in the form and manner prescribed by the Comptroller's office	Section 5.16(b)
<b>Other Duties</b>	Duties required by contract	
	Legal responsibilities or duties assigned by the board of directors	

\*Tax Code citations, unless otherwise noted.







# Appointing the Appraisal Review Board (ARB)



The ARB is a board of citizens that hears taxpayer protests and taxing unit challenges, corrects clerical errors in the appraisal records and appraisal rolls, acts on motions to correct the appraisal roll, determines whether exemptions and special valuations were improperly granted and takes any other action or makes any other determination as authorized or required under the Tax Code.<sup>198</sup>

There is an ARB for each CAD although the board of directors may provide for the operation of a consolidated ARB by interlocal contract.<sup>199</sup> An action of the board of directors, including ARB appointments, may be vetoed by a majority of the voting taxing units.<sup>200</sup> A majority of the voting taxing units must file veto resolutions with the board secretary of the CAD within 15 days after the action is taken.<sup>201</sup>

The board of directors appoints the ARB members in counties with a population of less than 120,000. In counties with a population of 120,000 or more, the local administrative district judge appoints the ARB members.<sup>202</sup> Although an appraisal district provides staff to the ARB for clerical assistance, the ARB maintains an independence from the board of directors and appraisal district staff, including the chief appraiser.<sup>203</sup>

CADs are allowed to obtain criminal history records of applicant ARB members from the Texas Department of Public Safety and if so appointed, provide that information to the local administrative district judge or ARB commissioners appointed by that judge.<sup>204</sup> While specific expertise is not required, it

may be helpful to appoint ARB members with experience in certain fields, including appraisal, real estate, accounting, business, agribusiness, law, engineering or construction.

## Eligibility

To be eligible to serve on the ARB, an individual must be a CAD resident and must have resided in the CAD for at least two years.<sup>205</sup> In counties with a population of more than 100,000, a person is ineligible to serve on the ARB if the person has done the following:

- Served formerly as an appraisal district board member, officer or employee;
- Served as a member of a governing body or an officer of a taxing unit until the fourth anniversary of the date the person ceases to be a member or officer; or
- Appeared before the ARB for compensation during the two-year period preceding the date of appointment.<sup>206</sup>

A person who has served for all or part of three consecutive terms is ineligible to serve on the ARB during a term that begins on the next Jan. 1 following the third of those consecutive terms.<sup>207</sup>

A person may not serve on an ARB if he or she owns property on which delinquent property taxes have been owed for more than 60 days after the date the person knew or should have known of the delinquency.<sup>208</sup> This restriction does not apply if the person is paying the delinquent taxes and any penalty and interest under an installment payment agreement or has deferred or abated a suit to collect delinquent taxes.<sup>209</sup>

<sup>198</sup> Tex. Tax Code §41.01(a)

<sup>199</sup> Tex. Tax Code §6.41(a), (g) and (h)

<sup>200</sup> Tex. Tax Code §6.10

<sup>201</sup> Tex. Tax Code §6.10

<sup>202</sup> Tex. Tax Code §6.41(d) and (d-1)

<sup>203</sup> Tex. Tax Code §§5.041(e-1)(5), 6.41 and 6.43

<sup>204</sup> Tex. Gov't Code §411.1296

<sup>205</sup> Tex. Tax Code §6.41(c)

<sup>206</sup> Tex. Tax Code §6.412(d)

<sup>207</sup> Tex. Tax Code §6.412(e)

<sup>208</sup> Tex. Tax Code §6.412(a)(2)

<sup>209</sup> Tex. Tax Code §6.412(a)(2)

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## Conflict of Interest

An individual is not eligible to serve on an ARB if the individual is related within the second degree by consanguinity or affinity to an individual who is engaged in the business of appraising property for compensation for use in proceedings under the Tax Code or to an individual who represents property owners for compensation in proceedings under the Tax Code in the CAD for which the ARB is established.<sup>210</sup> An ARB member commits a Class B misdemeanor offense if the ARB member continues to hold office knowing of a violation.<sup>211</sup>

A person is ineligible to serve on an ARB if the individual is related within the third degree of consanguinity or within the second degree of affinity to a member of the CAD board of directors.<sup>212</sup> A person is also ineligible to serve on the ARB if the person is a CAD director, a CAD officer or employee, a Comptroller employee or a member of the governing body, officer or employee of a taxing unit.<sup>213</sup>

Additional information regarding conflicts of interest for ARB members, including Tax Code Section 41.69, may be found in the *Appraisal Review Board Manual* published by the Comptroller's office.

A person is not eligible to be appointed or to serve on an ARB if the individual contracts with the CAD or a taxing unit that participates in the CAD.<sup>214</sup> A person who has a substantial interest in a business that has either type of contract is also barred.<sup>215</sup> Substantial interest is defined as either of the following: combined ownership of the individual and the individual's spouse is at least 10 percent of the voting stock or shares of the business, or the individual or the individual's spouse is a partner, limited partner or officer in the business entity.<sup>216</sup>

A CAD and a taxing unit participating in that CAD may not enter into a contract with a current member of the ARB established for that CAD or with a business entity in which an ARB member has a substantial interest.<sup>217</sup>

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<sup>210</sup> Tex. Tax Code §6.412(a)(1)

<sup>211</sup> Tex. Tax Code §6.412(b)

<sup>212</sup> Tex. Tax Code §6.412(a)(3)

<sup>213</sup> Tex. Tax Code §6.412(c)

<sup>214</sup> Tex. Tax Code §6.413(a)

<sup>215</sup> Tex. Tax Code §6.413(a)

<sup>216</sup> Tex. Tax Code §6.413(d)

<sup>217</sup> Tex. Tax Code §6.413(b) and (c)



## Number and Term of Office

The ARB consists of three members, but the board of directors by resolution may increase the size of the ARB to a number the board considers appropriate.<sup>218</sup> Directors who appoint ARB members do so by resolution passed by a majority of the CAD board of directors.<sup>219</sup> A vacancy on the ARB is filled in the same manner for the unexpired portion of the term.<sup>220</sup>

ARB members serve two-year terms beginning Jan. 1.<sup>221</sup> The board of directors by resolution must provide for staggered terms so that the terms of approximately half the ARB members expire each year.<sup>222</sup> In making the initial appointments, the board of directors or local administrative district judge must designate those members who serve terms of one year.<sup>223</sup>

## Auxiliary and Temporary ARB Members

The board of directors by resolution of a majority of the members may appoint auxiliary ARB members to hear taxpayer protests before the ARB and to assist the ARB in its duties.<sup>224</sup> The board of directors or local administrative district judge may appoint the number of auxiliary members it considers appropriate.<sup>225</sup> An auxiliary member is appointed in the same manner and for the same term as an ARB member under Tax Code Section 6.41 and is subject to the same eligibility requirements and restrictions under Tax Code Sections 6.41, 6.411, 6.412 and 6.413.<sup>226</sup>

An auxiliary member may attend ARB meetings but may not vote in an ARB determination or serve as ARB chairman or secretary.<sup>227</sup> An auxiliary member is not included in determining what constitutes a quorum of the board or whether

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<sup>218</sup> Tex. Tax Code §6.41(b)

<sup>219</sup> Tex. Tax Code §6.41(d)

<sup>220</sup> Tex. Tax Code §6.41(d)

<sup>221</sup> Tex. Tax Code §6.41(e)

<sup>222</sup> Tex. Tax Code §6.41(e)

<sup>223</sup> Tex. Tax Code §6.41(e)

<sup>224</sup> Tex. Tax Code §6.414(a)

<sup>225</sup> Tex. Tax Code §§6.41(d-1), 6.414(a) and (b)

<sup>226</sup> Tex. Tax Code §6.414(b)

<sup>227</sup> Tex. Tax Code §6.414(c)

a quorum is present at any ARB meeting.<sup>228</sup> An auxiliary member may hear taxpayer protests before the ARB.<sup>229</sup> If an auxiliary member sits on a panel established under Tax Code Section 41.45 to conduct a protest hearing, the number of non-auxiliary ARB members required to constitute the panel is reduced by the number of auxiliary board members.<sup>230</sup> An auxiliary member sitting on a panel is considered a regular board member for all purposes related to the conduct of the hearing.<sup>231</sup> An auxiliary member is entitled to make a recommendation to the ARB regarding a protest heard by the member but is not entitled to vote on the determination.<sup>232</sup>

An auxiliary member is entitled to compensation as provided by the CAD budget, but is not entitled to a per diem or reimbursement of expenses.<sup>233</sup>

The CAD board of directors must adopt and implement a policy for the temporary replacement of an ARB member.<sup>234</sup> A temporary ARB member replaces an ARB member who may not participate in a protest hearing because that ARB member communicated with another person(s) about a protest outside an ARB hearing in violation of Tax Code Section 41.66(f).<sup>235</sup>

## Training

The Comptroller's office must approve curricula, provide materials and supervise the training of ARB members.<sup>236</sup> ARB members are not allowed to participate in hearings until they complete the Comptroller's training course and a statement agreeing to comply with Tax Code requirements during hearings.<sup>237</sup> A new ARB member appointed after a course offering may continue to serve until the completion of a subsequent course offering.<sup>238</sup>

During the second year of an ARB member's term, the ARB member must complete the Comptroller's continuing education training course and complete a statement agreeing to comply

with Tax Code requirements during hearings.<sup>239</sup> An ARB member who fails to timely complete the course is not eligible to participate in hearings, vote on a determinations of protest or be reappointed to an additional term.<sup>240</sup>

ARB members must complete the Comptroller's continuing education training course and complete a statement agreeing to comply with Tax Code requirements in each year they serve.<sup>241</sup> The CAD board should provide for budgeting ARB training as part of the CAD's annual budget.<sup>242</sup>

The Comptroller's office may assess a fee, not to exceed \$50 per ARB member, to recover a portion of the costs incurred for the training course.<sup>243</sup>

Except during a hearing or other ARB proceeding, a member of the CAD board of directors for which the ARB is established, along with other specified individuals, may not communicate with an ARB member about these training courses or any matter presented or discussed during the courses.<sup>244</sup>

The Comptroller's office may not advise a chief appraiser, CAD employee, property owner or his or her agent on a matter known to be the subject of a protest to the ARB. The Comptroller's office may communicate with ARB members regarding:

- technical questions relating to ARB duties and appraisal issues;
- the model ARB procedures; and
- the ARB survey provided to taxpayers.

The Comptroller's office may also communicate with the ARB chairman concerning complaints filed against the ARB.<sup>245</sup> The toll free number maintained by Comptroller's office for ARB members is 1-800-252-7551.<sup>246</sup>

<sup>228</sup> Tex. Tax Code §6.414(c)

<sup>229</sup> Tex. Tax Code §6.414(d)

<sup>230</sup> Tex. Tax Code §6.414(d)

<sup>231</sup> Tex. Tax Code §6.414(d)

<sup>232</sup> Tex. Tax Code §6.414(e)

<sup>233</sup> Tex. Tax Code §6.414(f)

<sup>234</sup> Tex. Tax Code §41.66(g)

<sup>235</sup> Tex. Tax Code §41.66(g)

<sup>236</sup> Tex. Tax Code §5.041

<sup>237</sup> Tex. Tax Code §5.041(b) and (b-1)

<sup>238</sup> Tex. Tax Code §5.041(e)

<sup>239</sup> Tex. Tax Code §5.041(e-2)

<sup>240</sup> Tex. Tax Code §5.041(e-2)

<sup>241</sup> Tex. Tax Code §5.041(e-2)

<sup>242</sup> Tex. Tax Code §§5.041(e-3) and 6.42(c)

<sup>243</sup> Tex. Tax Code §5.041(c) and (e-3)

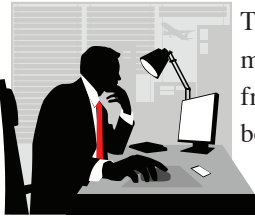
<sup>244</sup> Tex. Tax Code §5.041(g)

<sup>245</sup> Tex. Tax Code §5.041(a) and (f)

<sup>246</sup> Tex. Tax Code §5.041(a)(4)

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## Organization



The board of directors by resolution must select a chairman and secretary from among the ARB members.<sup>247</sup> The board of directors is encouraged to select an ARB chairman who has a background in law and property appraisal.<sup>248</sup> The ARB meets at any time at the call of the chair or as provided for by ARB rule.<sup>249</sup> The ARB must meet to examine the appraisal records within 10 days after the date the chief appraiser submits the records.<sup>250</sup>

The ARB must establish its procedures for hearings.<sup>251</sup> The Comptroller's office has developed model hearing procedures that the ARB is required to follow when developing its hearing procedures.<sup>252</sup>

ARB members are entitled to a per diem for each day the board meets as provided in the CAD budget.<sup>253</sup> ARB members are also entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties as provided in the CAD budget.<sup>254</sup> Auxiliary ARB members are entitled to compensation as provided by the CAD budget, but not per diem or reimbursement of expenses.<sup>255</sup>

## Personnel

A CAD may provide clerical assistance to the ARB, including assisting the ARB with the scheduling and arranging of hearings.<sup>256</sup>

The ARB may employ legal counsel as provided by the CAD budget or use the services of the county attorney.<sup>257</sup> An attorney may not serve as ARB legal counsel if within the last year the attorney or a member of the attorney's law firm represented an owner of property in the CAD, a participating taxing unit, or

the CAD in certain matters.<sup>258</sup> The prohibition on representing a participating taxing unit or CAD does not apply to a county attorney or an assistant to the county attorney.<sup>259</sup> A CAD may specify in its budget whether the ARB may employ legal counsel or must use the services of the county attorney.<sup>260</sup> A CAD may not require the ARB to employ a specific attorney.<sup>261</sup> If the budget authorizes an ARB attorney, the budget must provide for reasonable compensation.<sup>262</sup> ARB attorneys may not act as advocates in a hearing or proceeding conducted by the ARB; may provide advice to the ARB or ARB panel during a hearing or proceeding; and are required to make certain disclosures regarding relevant legal authority in the controlling jurisdiction known to the attorney and not disclosed by the parties and regarding a material fact that may assist the ARB or panel in making an informed decision regardless of whether the fact is adverse to the position of a party.<sup>263</sup>

An ARB may retain an appraiser certified by the Texas Appraiser Licensing and Certification Board to instruct ARB members on valuation methodology if the CAD provides for the instruction in the CAD budget.<sup>264</sup>

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## Ex Parte Communications with an ARB Member

An ARB member commits a Class A misdemeanor offense if the member communicates with the chief appraiser, CAD employee or a member of the CAD board of directors for which the ARB is established in violation of Tax Code Section 41.66(f).<sup>265</sup>

A chief appraiser or another CAD employee, a member of a board of directors, a property tax consultant or attorney representing a party to an ARB proceeding commits a Class A misdemeanor offense if the person communicates with a ARB member established for the CAD with the intent to influence a decision by an ARB member in the member's capacity as an ARB member.<sup>266</sup>

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<sup>247</sup> Tex. Tax Code §6.42(a)

<sup>248</sup> Tex. Tax Code §6.42(a)

<sup>249</sup> Tex. Tax Code §6.42(b)

<sup>250</sup> Tex. Tax Code §6.42(b)

<sup>251</sup> Tex. Tax Code §5.103(a)

<sup>252</sup> Tex. Tax Code §5.103(d)

<sup>253</sup> Tex. Tax Code §6.42(c)

<sup>254</sup> Tex. Tax Code §6.42(c)

<sup>255</sup> Tex. Tax Code §6.414(f)

<sup>256</sup> Tex. Tax Code §6.43(f)

<sup>257</sup> Tex. Tax Code §6.43(a)

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<sup>258</sup> Tex. Tax Code §6.43(b)

<sup>259</sup> Tex. Tax Code §6.43(c)

<sup>260</sup> Tex. Tax Code §6.43(e)

<sup>261</sup> Tex. Tax Code §6.43(e)

<sup>262</sup> Tex. Tax Code §6.43(e)

<sup>263</sup> Tex. Tax Code §6.43(d)

<sup>264</sup> Tex. Tax Code §5.041(h)

<sup>265</sup> Tex. Tax Code §6.411(a) and (d)

<sup>266</sup> Tex. Tax Code §6.411(b)

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These ex parte communication provisions do not apply to communications between an ARB and its legal counsel.<sup>267</sup> The provisions also do not apply to communications between an ARB member and the chief appraiser, a CAD employee, a member of the board of directors, a property tax consultant or an attorney representing a party to a proceeding before the ARB:

1. during a protest hearing or other ARB proceeding;
2. that constitute social conversation;
3. that are specifically limited to and involve administrative, clerical or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices and subpoenas and the operation, appointment, composition or attendance at training of the ARB; or
4. that are necessary and appropriate to enable the CAD board of directors to determine whether to appoint, reappoint or remove a person as an ARB member, chairman or secretary.<sup>268</sup>

In counties with a population of 120,000 or more, a chief appraiser, a CAD employee, a member of the board of directors, a property tax consultant or an agent of a property owner commits a Class A misdemeanor offense if the person communicates with the local administrative district judge regarding the appointment of ARB members.

This provision does not apply to communications with the local administrative district judge by:

- an ARB member regarding the member's reappointment to the ARB;
- a taxpayer liaison officer in the course of performing the officer's clerical duties;
- a chief appraiser, CAD employee, ARB member or member of the board of directors regarding applications and appointment information, including criminal histories, and removal of an ARB member; or
- a taxpayer liaison officer regarding communications with a consultant, property owner or agent regarding removal of an ARB member.<sup>269</sup>

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## ARB Member Removal

A member may be removed from the ARB by a majority vote of the board of directors or by the local administrative district court judge or the judge's designee.<sup>270</sup> Grounds for removal include a violation of:

- Tax Code Section 6.412 (restrictions on eligibility of ARB member);
- Tax Code Section 6.413 (interest in certain contracts prohibited);
- Tax Code Section 41.66(f) (communication outside a hearing or proceeding); or
- Tax Code Section 41.69 (conflict of interest in taxpayer protest).<sup>271</sup>

An ARB member may also be removed for good cause relating to failure to attend ARB meetings or for clear and convincing evidence of repeated bias or misconduct.<sup>272</sup>

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<sup>267</sup> Tex. Tax Code §6.411(c)

<sup>268</sup> Tex. Tax Code §6.411(c-1)

<sup>269</sup> Tex. Tax Code §6.41(i)

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<sup>270</sup> Tex. Tax Code §6.41(f)

<sup>271</sup> Tex. Tax Code §6.41(f)

<sup>272</sup> Tex. Tax Code §6.41(f)







# CAD Financial Affairs

Participating taxing units pay for CAD operations.<sup>273</sup> The board of directors' financial responsibilities include adopting an annual operating budget; selecting a district depository; purchasing and contracting; transferring, constructing and renovating real property; and providing for an independent audit.

## CAD Budget

The board of directors is responsible for adopting the budget for the CAD.<sup>274</sup>

Before June 15 each year, the chief appraiser must prepare a proposed budget for CAD operations for the following tax year and submit it to each participating taxing unit and to the board of directors.<sup>275</sup> The budget must list:

- each proposed position, including each position's:
  - (a) proposed salary;
  - (b) all proposed benefits;
- each proposed capital expenditure; and
- an estimate of the amount of the budget that will be allocated to each taxing unit.<sup>276</sup>

Other items commonly included in the budget are:

- contract payments for services;
- reimbursement for reasonable and necessary CAD board expenses;
- per diem and actual expense reimbursement for ARB members;
- compensation for general counsel to the board of directors or ARB legal counsel, or both;
- reimbursement of CAD office staff for reasonable and necessary expenses;

- payment of tuition and fees incurred for courses or educational programs;
- funds for ARB proceedings and operations; and
- other items necessary for CAD operations.

A CAD is required to reimburse a CAD employee for all actual and necessary expenses, tuition and other fees and costs of materials incurred in attending, with approval of the chief appraiser, a course or training program sponsored or approved by TDLR.<sup>277</sup>

If a CAD performs collection or assessment services, the Interlocal Cooperation Act requires an interlocal payment be in an amount that fairly compensates the performing party for the services or functions performed under the contract.<sup>278</sup> A 2003 Attorney General's opinion concludes that a CAD budget may only allocate the costs of operating the CAD for its appraisal purposes and the costs of tax assessment or collection are not allocated to all taxing units regardless of whether a taxing unit has contracted with a CAD for assessment or collection services.<sup>279</sup>

## Public Notice of Budget Hearing



The board of directors must hold a public hearing to consider the budget.<sup>280</sup> Not later than the 10th day before the hearing, the board of director's secretary must deliver a written notice of the date, time and place of the hearing to each participating taxing unit in the CAD.<sup>281</sup>

Within the same timeframe, the chief appraiser is required to publish a notice of the public hearing in a newspaper having

<sup>273</sup> Tex. Tax Code §6.062(c)

<sup>274</sup> Tex. Tax Code §6.06(b)

<sup>275</sup> Tex. Tax Code §6.06(a)

<sup>276</sup> Tex. Tax Code §6.06(a)

<sup>277</sup> Tex. Tax Code §5.04(b)

<sup>278</sup> Tex. Gov't Code §791.011(e)

<sup>279</sup> Tex. Att'y Gen. Op. GA-0030 (2003)

<sup>280</sup> Tex. Tax Code §6.06(b)

<sup>281</sup> Tex. Tax Code §6.06(b)

general circulation in the county.<sup>282</sup> The newspaper notice may not be smaller than one-quarter page of a standard-size or tabloid-size newspaper and may not be published in the part of the paper in which legal notices and classified advertisements appear.<sup>283</sup> This notice must have the time, date, and place of the public hearing; specified summary of the proposed budget; notice that the CAD is supported solely from local taxing units; and a prescribed notice that the budget will automatically take effect unless disapproved by certain taxing units and a copy of the budget is available for public inspection at these taxing units.<sup>284</sup> In addition to the statutorily required items in the notice, Comptroller Rule 9.3048 requires the notice to provide the number of employees compensated in the budget in terms of full-time equivalent employees and that the notice contains the name, address and telephone number of the CAD.

## Budget Adoption

The board of directors must approve a budget before Sept. 15.<sup>285</sup>

If a majority of the voting taxing units adopt and file resolutions disapproving a budget within 30 days after its adoption, the budget does not take effect.<sup>286</sup> The board must adopt a new budget within 30 days of disapproval.<sup>287</sup>

The board may amend the approved budget at any time.<sup>288</sup> The secretary of the board must deliver a written copy of a proposed amendment to the each participating taxing unit not later than the 30th day before the date the board acts on it.<sup>289</sup>

## Allocating Costs of CAD Operations

Each participating taxing unit pays a share of the CAD budget.<sup>290</sup> The share is based on the proportion of property taxes imposed by the taxing unit to the sum of property taxes imposed by each participating taxing unit in the CAD.<sup>291</sup> The resulting fraction is multiplied by the total dollar amount of the budget.

$$\frac{\text{Taxing Unit's Tax Levy}}{\text{Total Tax Levy of All Taxing Units}} = \text{Taxing Unit's Fractional Share}$$

If a taxing unit participates in two or more CADs, only the taxes imposed in a CAD are used to calculate the taxing unit's cost allocations in that CAD.<sup>292</sup> Tax Code Section 6.06(d) limits the share of the cost of the budget for a taxing unit that has a large tax levy but a smaller number of parcels. This limit applies to a taxing unit that has less than 5 percent of the total number of real property parcels in the CAD while imposing over 25 percent of the total amount of the property taxes in the CAD for the year. In this case, a taxing unit's allocation may not exceed three times the taxing unit's percentage of the total number of parcels appraised by the CAD.<sup>293</sup> For example, a taxing unit has 4 percent of the CAD's parcels but imposes 30 percent of the taxes. The budget share may not exceed 3 times 4 percent, or 12 percent. If there was no limitation, the budget share would be 30 percent.

For a newly formed taxing unit or a taxing unit that did not impose taxes in the preceding year, the taxing unit is allocated a portion of the budget and the amount of taxes the taxing unit imposes in the current year is used to calculate its allocation.<sup>294</sup> The board of directors and the taxing unit may agree to an estimate of the amount of taxes that will be imposed for the current year.<sup>295</sup> After the amount of taxes to be imposed is known, payments are adjusted to reflect the imposed amount.<sup>296</sup>

Each taxing unit must pay its allocation in four equal payments at the end of each calendar quarter unless a taxing unit's governing body and the chief appraiser agree on a different method of payment.<sup>297</sup> The first payment must be made before Jan. 1 of the year in which the budget takes effect.<sup>298</sup> If a payment is not paid on the due date, it incurs a 5 percent penalty and an annual interest rate of 10 percent.<sup>299</sup> For good cause shown, the board of directors may waive the penalty and interest on a delinquent payment.<sup>300</sup>

<sup>282</sup> Tex. Tax Code §6.062(a)

<sup>283</sup> Tex. Tax Code §6.062(a)

<sup>284</sup> Tex. Tax Code §6.062(b) and (c)

<sup>285</sup> Tex. Tax Code §6.06(b)

<sup>286</sup> Tex. Tax Code §6.06(b)

<sup>287</sup> Tex. Tax Code §6.06(b)

<sup>288</sup> Tex. Tax Code §6.06(c)

<sup>289</sup> Tex. Tax Code §6.06(c)

<sup>290</sup> Tex. Tax Code §6.06(d)

<sup>291</sup> Tex. Tax Code §6.06(d)

<sup>292</sup> Tex. Tax Code §6.06(d)

<sup>293</sup> Tex. Tax Code §6.06(d)

<sup>294</sup> Tex. Tax Code §6.06(h)

<sup>295</sup> Tex. Tax Code §6.06(h)

<sup>296</sup> Tex. Tax Code §6.06(h)

<sup>297</sup> Tex. Tax Code §6.06(e)

<sup>298</sup> Tex. Tax Code §6.06(e)

<sup>299</sup> Tex. Tax Code §6.06(e)

<sup>300</sup> Tex. Tax Code §6.06(k)



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## Different Fiscal Year and Method of Financing

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A CAD's fiscal year is the calendar year.<sup>301</sup> A different fiscal year may be designated by three-fourths of voting taxing adopting resolutions.<sup>302</sup> If the fiscal year is changed, the deadlines for the chief appraiser proposing and the board of directors adopting the budget and the deadline for the first allocation payment are specified deadlines before the first day of the changed fiscal year.<sup>303</sup> The allocation of the budget is based on the amount of property taxes imposed by each participating taxing unit in the most recent tax year preceding the changed fiscal year.<sup>304</sup>

The board of directors or the taxing units participating in the CAD may prescribe a different method of allocating the costs of operating the CAD.<sup>305</sup>

To change the method of financing, the board of directors must adopt a resolution and deliver it to each taxing unit participating in the CAD after June 15 and before Aug. 15.<sup>306</sup> The financing does not change if the governing body of any participating taxing unit adopts a resolution opposing the different method, and files it with the board of directors before Sept. 1.<sup>307</sup> If a board proposal is rejected, the board must provide written notification to each participating taxing unit before Sept. 15.<sup>308</sup>

The participating taxing units in a CAD may adopt a different allocation method if three-fourths of the voting taxing units adopt resolutions providing for the other method.<sup>309</sup> This adoption is not valid if it requires any taxing unit to pay a greater proportion of the CAD's costs than the taxing unit would pay otherwise without the consent of that taxing unit.<sup>310</sup>

A resolution changing the allocation method is ineffective if an official copy is not filed with the chief appraiser after April 30 and before May 15.<sup>311</sup> A change in allocation re-

mains in effect until changed or rescinded by resolution of a majority of the governing bodies of voting taxing units.<sup>312</sup>

## Designation of District Depository

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The board of directors must designate a depository for payments to be deposited.<sup>313</sup> A CAD depository must be a banking corporation incorporated under Texas law or the United States or a Texas savings and loan association whose deposits are insured by the Federal Savings and Loan Insurance Corporation (FSLIC).<sup>314</sup> To the extent that funds in the depository are not insured by the Federal Deposit Insurance Corporation or the FSLIC, the funds must be secured in the manner provided by law for the security of funds of counties.<sup>315</sup>

The board of directors must designate as the district depository the financial institution or institutions that offer the most favorable terms and conditions for the handling of the CAD's funds.<sup>316</sup> The board must solicit bids to be designated as depository for the CAD.<sup>317</sup> After a depository is designated, the depository must serve for a term of two years and until its successor is designated and has qualified.<sup>318</sup> The board and the depository may agree to extend a depository contract for one additional two-year period.<sup>319</sup>

Consult legal counsel regarding the applicability of Local Government Code Chapter 116 concerning county depositories.

District's funds may be disbursed only by a written check, draft or order signed by the chairman and secretary of the board.<sup>320</sup> The board by resolution may authorize the chief appraiser to disburse funds.<sup>321</sup>

## Purchasing and Contracting

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A CAD is subject to the same requirements and has the same purchasing and contracting authority as a municipality under Local Government Code Chapter 252.<sup>322</sup> Local Government

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<sup>301</sup> Tex. Tax Code §6.06(i)

<sup>302</sup> Tex. Tax Code §6.06(i)

<sup>303</sup> Tex. Tax Code §6.06(i)

<sup>304</sup> Tex. Tax Code §6.06(i)

<sup>305</sup> Tex. Tax Code §6.061(a) and (b)

<sup>306</sup> Tex. Tax Code §6.061(a)

<sup>307</sup> Tex. Tax Code §6.061(a)

<sup>308</sup> Tex. Tax Code §6.061(a)

<sup>309</sup> Tex. Tax Code §6.061(b)

<sup>310</sup> Tex. Tax Code §6.061(b)

<sup>311</sup> Tex. Tax Code §6.061(c)

<sup>312</sup> Tex. Tax Code §6.061(e)

<sup>313</sup> Tex. Tax Code §6.06(f)

<sup>314</sup> Tex. Tax Code §6.09(a)

<sup>315</sup> Tex. Tax Code §6.09(d)

<sup>316</sup> Tex. Tax Code §6.09(b)

<sup>317</sup> Tex. Tax Code §6.09(c)

<sup>318</sup> Tex. Tax Code §6.09(c)

<sup>319</sup> Tex. Tax Code §6.09(c)

<sup>320</sup> Tex. Tax Code §6.06(f)

<sup>321</sup> Tex. Tax Code §6.06(f)

<sup>322</sup> Tex. Tax Code §6.11(a)

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Code Section 252.061 provides for an injunction if a contract is made without complying with Local Government Code

Chapter 252 and any resident of the CAD may seek an injunction under that section.<sup>323</sup>



Local Government Code Sections 252.062 and 252.063 provide for criminal penalties for municipal officers and employees violating competitive bidding requirements and the removal of those individuals. These provisions apply to a

CAD officer or employee in the same manner those sections apply to a municipal officer or employee.<sup>324</sup>

The Public Property Finance Act (Local Government Code Chapter 271) and the Interlocal Cooperation Act (Government Code Chapter 791) should also be reviewed. Consult with an attorney about bidding procedures, purchasing and contracts.

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## Financial Audit

At least once each year, the board of directors must have an audit prepared by an independent certified public accountant or a firm of independent certified public accountants.<sup>325</sup> A copy of the report must be delivered to each voting taxing unit.<sup>326</sup> A reasonable number of copies of the report must be available for inspection at the CAD office and the report is a public record.<sup>327</sup>

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## Other Financial Affairs

The board of directors and the chief appraiser also handle other financial details. Issues you may want to discuss with your attorney include the application of the Public Funds Investment Act in Government Code Chapter 2256 to local governments, including political subdivisions; the application of Government Code Chapter 2253 to governmental entities in regards to public work contracts; sales tax; reporting to the Internal Revenue Service; purchase of insurance; retirement program participation, etc.

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<sup>323</sup> Tex. Tax Code §6.11(b)

<sup>324</sup> Tex. Tax Code §6.11(b)

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<sup>325</sup> Tex. Tax Code §6.063(a)

<sup>326</sup> Tex. Tax Code §6.063(b)

<sup>327</sup> Tex. Tax Code §6.063(b)



# Taxpayer Assistance

The International Association of Assessing Officer's (IAAO) publication *Standard on Public Relations* provides that “public relations program should be an integral part of every assessment office’s work. A public relations program describes what the office does as well as how, why and for whom its services are provided. An effective public relations program results in more accurate and thorough coverage from the media and a better-informed constituency.”<sup>328</sup> Some of the topics in these standards include developing a written public relations program (including having a public relations officer) and a procedural manual, public records, printed information and correspondence, value notices, special-purpose messages, forms and questionnaires, annual reports, media contacts, speaking engagements, contact with other public officials, appeals process, public education and the Internet.<sup>329</sup>

## Reasonable Access

One of the board’s required taxpayer assistance duties is to develop and implement policies that provide the public with reasonable opportunity to appear before the board to speak on any issue under the board’s jurisdiction.<sup>330</sup> Reasonable time must be provided at each board of directors meeting for public comment on CAD and ARB policies and procedures and a report from the taxpayer liaison officer if required.<sup>331</sup>

The board must prepare and maintain a written plan that describes how a non-English speaker or an individual with a physical, mental or developmental disability may be provided reasonable access to the board.<sup>332</sup>

<sup>328</sup> IAAO, *Standard on Public Relations*, (July 2011), p.5. [http://docs.iaao.org/media/standards/Standard\\_on\\_Public\\_Relations.pdf](http://docs.iaao.org/media/standards/Standard_on_Public_Relations.pdf) (Last visited Dec. 29, 2015)

<sup>329</sup> This is only a selection of some of the topics covered in the standards. For the full text of the standards please see the IAAO’s *Standard on Public Relations* at [http://docs.iaao.org/media/standards/Standard\\_on\\_Public\\_Relations.pdf](http://docs.iaao.org/media/standards/Standard_on_Public_Relations.pdf)

<sup>330</sup> Tex. Tax Code §6.04(d)

<sup>331</sup> Tex. Tax Code §6.04(d)

<sup>332</sup> Tex. Tax Code §6.04(e)

## Other General Access Issues

Issues the board should or may address, depending on factors such as whether legal requirements exist, include:

- Evaluation of buildings for accessibility to those who individuals who are physically impaired as required by state or federal law;
- Parking accommodations for persons with disabilities;
- Allowance for attendant animals in offices;
- Providing information in different types of media;
- Providing a sign-language interpreter;
- Providing translator services; and
- Providing information in different languages. Certain Spanish resources can be found on the Comptroller’s website at [comptroller.texas.gov/taxinfo/proptax](http://comptroller.texas.gov/taxinfo/proptax).

## Complaint Process

The board of directors must prepare a description of the board’s functions and the board’s procedures for filing and resolving complaints.<sup>333</sup> The board must make this information available to the public and the appropriate taxing jurisdictions.<sup>334</sup> If a written complaint is filed with the board and the board has authority to resolve it, the board must provide notice of the complaint status to the parties to the complaint unless this notice would jeopardize an undercover investigation.<sup>335</sup> The notice must be provided at least quarterly and until final disposition of the complaint.<sup>336</sup> In certain counties, the taxpayer liaison officer must report at each board of directors meeting on the status of all comments and suggestions received and all complaints filed with the board of directors.<sup>337</sup>

<sup>333</sup> Tex. Tax Code §6.04(f)

<sup>334</sup> Tex. Tax Code §6.04(f)

<sup>335</sup> Tex. Tax Code §6.04(g)

<sup>336</sup> Tex. Tax Code §6.04(g)

<sup>337</sup> Tex. Tax Code §6.052(c)

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## Taxpayer Liaison Officer

In counties with a population of 120,000 or more, the board of directors must appoint a taxpayer liaison officer.<sup>338</sup> The taxpayer liaison officer administers public access functions; provides information and materials to the public; resolves disputes that do not involve matters that may be protested under Tax Code Section 41.41; receives, compiles and forwards complaints, comments and suggestions concerning ARB matters to the Comptroller's office; and delivers ARB applications received and provides clerical assistance to the local administrative district judge as part of the ARB selection process.<sup>339</sup> The taxpayer liaison officer serves at the pleasure of the board of directors.<sup>340</sup>

The chief appraiser or any other person who performs legal or appraisal services for the CAD for compensation is not eligible to be the taxpayer liaison officer.<sup>341</sup> The taxpayer liaison officer is entitled to compensation as provided by the budget adopted by the board of directors.<sup>342</sup>

The taxpayer liaison officer must administer the public access functions required by Tax Code Sections 6.04(d), (e) and (f) which include allowing the public to speak before the board of directors; preparing and maintaining a written plan on reasonable access to the board for those who do not speak English or who have physical, mental or developmental disabilities; and preparing information describing the functions of the board and the complaint process.<sup>343</sup>

The taxpayer liaison officer provides information and materials designed to assist property owners in understanding the appraisal process, protest procedures, procedures for filing comments, suggestions or complaints and related matters.<sup>344</sup> The taxpayer liaison officer is required to provide comments and suggestions to the Comptroller's office concerning ARBs.<sup>345</sup>

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<sup>338</sup> Tex. Tax Code §6.052(a)

<sup>339</sup> Tex. Tax Code §6.052(a)

<sup>340</sup> Tex. Tax Code §6.052(a)

<sup>341</sup> Tex. Tax Code §6.052(e)

<sup>342</sup> Tex. Tax Code §6.052(d)

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<sup>343</sup> Tex. Tax Code §6.04(d), (e) and (f) and 6.052(a)

<sup>344</sup> Tex. Tax Code §6.052(b)

<sup>345</sup> Tex. Tax Code §6.052(b)



# Public Information Act

Public information is information that is written, produced, collected, assembled or maintained by or for a governmental entity in connection with the transaction of official business, including electronic communications related to official business, that are created, transmitted, received or maintained on any device.<sup>346</sup> Public information is available to the public at a minimum during the normal business hours of the governmental body.<sup>347</sup> Certain information is excepted from public information requirements including information considered to be confidential by law, either constitutional or statutory, or by judicial decision.<sup>348</sup>

One example of confidential information specifically related to CADs is information relating to real property sales prices, descriptions, characteristics and other related information received from a private entity by the Comptroller's office or the chief appraiser of a CAD under Tax Code Chapter 6.<sup>349</sup> This information is confidential, may only be requested by certain people in specified circumstances, remains confidential by persons who obtain it and may not be disclosed except as provided.<sup>350</sup> This information is confidential if the information, item of information or comparable sales data relates to real property that is located in a county having a population of more than 50,000.<sup>351</sup>

After receiving a request for public information, the public information officer must promptly produce public information for inspection, duplication, or both.<sup>352</sup> The public information officer must provide the public information for inspection or duplication in the offices of the governmental body or send copies if the person requesting the information requests

copies and pays the postage and any other applicable charges.<sup>353</sup> If the information is unavailable because it is in active use or storage, the officer for public information must certify this fact in writing to the requestor and set a date and hour within a reasonable time when the information will be available for inspection or duplication.<sup>354</sup>

The charge for providing a copy of public information must be an amount that reasonably includes all related costs to reproducing the information.<sup>355</sup> If a request is for 50 pages or less, the charge may not include materials, labor or overhead costs.<sup>356</sup> Charges for these requests must be limited to a charge for each page unless the pages to be photocopied are located in two or more separate buildings that are not physically connected with each other or located in a remote storage facility.<sup>357</sup>

The Office of the Attorney General must adopt rules that determine what governmental bodies charge for providing copies of public information.<sup>358</sup> Each governmental body must use these rules to determine charges for providing copies of public information and to determine the charge, deposit or bond required for making public information that exists in a paper record available for inspection, except to the extent as provided otherwise by law.<sup>359</sup> Attorney General rules regarding charges for public information and other related information can be found at [www.texasattorneygeneral.gov/open/charges.shtml](http://www.texasattorneygeneral.gov/open/charges.shtml).

If an officer for public information cannot produce public information for inspection or duplication within 10 business days after the request, the officer must certify that fact in

<sup>346</sup> Tex. Gov't Code §552.002

<sup>347</sup> Tex. Gov't Code §552.021

<sup>348</sup> Tex. Gov't Code §552.101

<sup>349</sup> Tex. Gov't Code §552.149(a)

<sup>350</sup> Tex. Gov't Code §552.149

<sup>351</sup> Tex. Gov't Code §552.149(e)

<sup>352</sup> Tex. Gov't Code §552.221(a)

<sup>353</sup> Tex. Gov't Code §552.221(b)

<sup>354</sup> Tex. Gov't Code §552.221(c)

<sup>355</sup> Tex. Gov't Code §552.261(a)

<sup>356</sup> Tex. Gov't Code §552.261(a)

<sup>357</sup> Tex. Gov't Code §552.261(a)

<sup>358</sup> Tex. Gov't Code §552.262(a)

<sup>359</sup> Tex. Gov't Code §552.262(a)

writing to the requestor and set a date and hour within a reasonable time when the information will be available.<sup>360</sup>

If a governmental body wishes to withhold information from public disclosure, it must ask for an Attorney General's decision within 10 business days after the day of receiving the open records request.<sup>361</sup> A decision is not required if there has been a previous determination that addresses the exact information.<sup>362</sup> Within a reasonable time but not later than the 10th business day after the date of receiving the written request, a governmental body that asks for a decision must provide the requestor with a written statement that the governmental body wishes to withhold the requested information and has asked for an Attorney General's decision and a copy of the governmental body's written communication to the Attorney General as required.<sup>363</sup>

An officer for public information must prominently display an Attorney General prescribed sign that contains basic information about the rights of a requestor, the responsibilities of a governmental body and the procedures for inspecting or obtaining a copy of public information.<sup>364</sup> The sign must be displayed at one or more places in the governmental body's administrative offices where it is plainly visible to members of the public and employees of the governmental body whose duties include receiving or responding to requests.<sup>365</sup>

Public officials must complete a one- to two-hour training course on the responsibilities of the governmental body with which the official serves and its officers and employees under the Public Information Act.<sup>366</sup> The training must be completed not later than the 90th day after the date the public official takes the oath of office or otherwise assumes the duties as a public official.<sup>367</sup> A public official may designate a public information coordinator to satisfy the training requirements for the public official if the public information coordinator is primarily responsible for administering the responsibilities of the public official or governmental body under the Public Information Act.<sup>368</sup>



A requestor or the Attorney General's office may file suit to compel a governmental body to make information available for public inspection.<sup>369</sup> A person who claims to be a victim of a violation the Public Information Act can file a complaint with the district or county attorney of the county in which the governmental body is located.<sup>370</sup> Before the 31st day after the date a complaint is filed, the district or county attorney must determine whether the violation alleged in the complaint was committed, whether to bring an action against the governmental body and notify the complainant of those determinations.<sup>371</sup> An official may only file an action if the governmental body does not cure the violation after three days of an official providing written notification to the governmental body that the alleged violation of the Act was committed.<sup>372</sup>

The Public Information Act has three types of violations of the Act that carry criminal penalties. The failure to give access to public information is a misdemeanor with a fine of up to \$1,000, six months in jail or both; this is also considered official misconduct and a public official can be removed from office.<sup>373</sup> These same penalties apply to the distribution of information that is confidential under the Act.<sup>374</sup> The third violation is if a person willfully destroys, mutilates, removes without permission or alters public information.<sup>375</sup> This misdemeanor offense is punishable by a fine of not less than \$25 or more than \$4,000, county jail time from three days to not more than three months or both.<sup>376</sup>

Questions regarding the applicability or interpretation of the Public Information Act should be directed to legal counsel.

For more information on the Public Information Act, call the Office of the Attorney General's Open Government Hotline toll-free at 1-877-673-6839 or see the Office of the Attorney General's *Public Information Handbook* at [www.texasattorneygeneral.gov/ag\\_publications/pdfs/publicinfo\\_hb.pdf](http://www.texasattorneygeneral.gov/ag_publications/pdfs/publicinfo_hb.pdf).

<sup>360</sup> Tex. Gov't Code §552.221(d)

<sup>361</sup> Tex. Gov't Code §552.301(a) and (b)

<sup>362</sup> Tex. Gov't Code §552.301(a)

<sup>363</sup> Tex. Gov't Code §552.301(d)

<sup>364</sup> Tex. Gov't Code §552.205(a)

<sup>365</sup> Tex. Gov't Code §552.205(a)

<sup>366</sup> Tex. Gov't Code §552.012(b)

<sup>367</sup> Tex. Gov't Code §552.012(b)

<sup>368</sup> Tex. Gov't Code §552.012(c)

<sup>369</sup> Tex. Gov't Code §552.321

<sup>370</sup> Tex. Gov't Code §552.3215(e)

<sup>371</sup> Tex. Gov't Code §552.3215(g)

<sup>372</sup> Tex. Gov't Code §552.3215(j)

<sup>373</sup> Tex. Gov't Code §552.353

<sup>374</sup> Tex. Gov't Code §552.352

<sup>375</sup> Tex. Gov't Code §552.351

<sup>376</sup> Tex. Gov't Code §552.351





# Open Meetings Act

The Open Meetings Act requires every regular, special or called meeting of a governmental body to be open to the public, except as provided.<sup>377</sup> The Open Meetings Act applies any time a quorum of a governmental body meets as provided under Government Code Section 551.001(4).<sup>378</sup> Members may attend social occasions, workshops, ceremonial events and press conferences without violating the law, provided formal action is not taken and any discussion of public business is incidental.<sup>379</sup>

If a governmental body takes an action in violation of the Open Meetings Act, then that action is voidable.<sup>380</sup> Violation of the Open Meetings Act is a misdemeanor offense.<sup>381</sup> A member or group of members commits a misdemeanor offense if the member or group of members knowingly conspires to circumvent the Open Meetings Act by meeting in numbers less than a quorum for the purpose of secret deliberations in violation of the Open Meetings Act.<sup>382</sup>

A governmental body must give written notice of the date, hour, place and subject of each meeting.<sup>383</sup> The Open Meetings Act requires the posting of notices within certain time periods.<sup>384</sup> It provides for posting meeting notices or adding agenda items for an already posted meeting when there is an emergency or when there is an urgent public necessity.<sup>385</sup> The Open Meetings Act should be consulted regarding the place, content and the deadlines of postings.

For each meeting, a governmental body must prepare and keep minutes or make a recording.<sup>386</sup> The minutes must state the subject of each deliberation and indicate each vote, order, decision or other action taken.<sup>387</sup> These minutes and recordings of an open meeting are public records and must be available for public inspection and copying on request.<sup>388</sup>

In an open meeting, a person in attendance may make an audio or visual recording of all or any part of the governmental body meeting.<sup>389</sup> A governmental body may adopt reasonable rules to maintain order at a meeting, but the rules may not prevent or unreasonably impair a person from exercising the right to record the meeting.<sup>390</sup> These rules may relate to the location of recording equipment and the manner in which the recording is conducted.<sup>391</sup>

The Open Meetings Act provides exceptions to the requirement that meetings of a governmental body be open to the public and sets forth procedures relating to closed meetings.<sup>392</sup> If there is a closed meeting, a governmental body must first convene in an open meeting with a quorum and follow certain procedures.<sup>393</sup> A governmental body may not vote, make a decision or take a final action in a closed meeting.<sup>394</sup> For each closed meeting, a governmental body must keep either a certified agenda or make a recording of the meeting, except for private consultations with the governmental body's attorney.<sup>395</sup> The certified agenda or recording of a closed meeting must be preserved for at least two years after the date of the

<sup>377</sup> Tex. Gov't Code §551.002

<sup>378</sup> Tex. Gov't Code §551.001(4)

<sup>379</sup> Tex. Gov't Code §551.001(4)

<sup>380</sup> Tex. Gov't Code §551.141

<sup>381</sup> Tex. Gov't Code Chapter 551

<sup>382</sup> Tex. Gov't Code §551.143(a)

<sup>383</sup> Tex. Gov't Code §551.041

<sup>384</sup> Tex. Gov't Code Chapter 551, Subchapter C

<sup>385</sup> Tex. Gov't Code §551.045

<sup>386</sup> Tex. Gov't Code §551.021(a)

<sup>387</sup> Tex. Gov't Code §551.021(b)

<sup>388</sup> Tex. Gov't Code §551.022

<sup>389</sup> Tex. Gov't Code §551.023

<sup>390</sup> Tex. Gov't Code §551.023

<sup>391</sup> Tex. Gov't Code §551.023

<sup>392</sup> Tex. Gov't Code Chapter 551, Subchapters D and E

<sup>393</sup> Tex. Gov't Code §551.101

<sup>394</sup> Tex. Gov't Code §551.102

<sup>395</sup> Tex. Gov't Code §551.103

meeting or during any period in which litigation is pending regarding that meeting.<sup>396</sup> A district court may order that a certified agenda or recording of a closed meeting be available for public inspection.<sup>397</sup>

In part, some of the exceptions in the Open Meetings Act include certain meetings with the governmental body's attorney and meetings regarding personnel matters or real property deliberations. A governmental body may hold a closed meeting to seek the advice of its attorney about pending or contemplated litigation, a settlement offer or on a matter which requires the attorney to meet in a closed session to comply with the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.<sup>398</sup> Otherwise, a governmental body may not conduct a private consultation with its attorney.<sup>399</sup> A closed meeting may be held to deliberate the purchase, exchange, lease or value of real property if an open meeting deliberation would have a detrimental effect on negotiations for the governmental body.<sup>400</sup> The Open Meetings Act does not require an open meeting to deliberate on certain personnel matters of a public officer or employee, including the deliberation of the appointment, employment, evaluation, reassignment, duties, discipline or dismissal; or to hear a complaint or charge against an officer or employee.<sup>401</sup>

Each elected or appointed public official of a governmental body subject to the Open Meetings Act must complete a training course.<sup>402</sup> The official is required to complete a training course not later than the 90th day after taking the oath of office or otherwise assumes the duties as a public official.<sup>403</sup> The Office of the Attorney General must ensure that the training is available.<sup>404</sup> For more information regarding training by the Office of the Attorney General please see [www.texasattorneygeneral.gov/open/og\\_training.shtml](http://www.texasattorneygeneral.gov/open/og_training.shtml).

A governmental body must maintain and make available for public inspection the record of its members' completion of the training.<sup>405</sup> The failure of one or more members of a governmental body to complete the required training does not affect the validity of an action taken by the governmental body.<sup>406</sup>

Boards of directors should seek legal advice regarding the applicability of the Open Meetings Act to board meetings. For more information on the Open Meetings Act, call the Office of the Attorney General's Open Government Hotline toll-free at 1-877-673-6839 or see the Office of the Attorney General's *Open Meetings Handbook* at [www.texasattorneygeneral.gov/ag\\_publications/pdfs/openmeeting\\_hb.pdf](http://www.texasattorneygeneral.gov/ag_publications/pdfs/openmeeting_hb.pdf).

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<sup>396</sup> Tex. Gov't Code §551.104(a)

<sup>397</sup> Tex. Gov't Code §551.104(b) and (c)

<sup>398</sup> Tex. Gov't Code §551.071

<sup>399</sup> Tex. Gov't Code §551.071

<sup>400</sup> Tex. Gov't Code §551.072

<sup>401</sup> Tex. Gov't Code §551.074(a)

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<sup>402</sup> Tex. Gov't Code §551.005(a)

<sup>403</sup> Tex. Gov't Code §551.005(a)

<sup>404</sup> Tex. Gov't Code §551.005(b)

<sup>405</sup> Tex. Gov't Code §551.005(c)

<sup>406</sup> Tex. Gov't Code §551.005(f)





# CAD Operations

Each CAD *must* establish an office located in the county for which the appraisal district is established and a CAD may establish branch offices outside the county.<sup>407</sup> A board of directors may contract with another CAD or with a taxing unit in the district to perform the duties of the appraisal district office for the CAD.<sup>408</sup>

## Ownership or Lease of Real Property

The board of directors may purchase or lease real property and may construct improvements as necessary to establish and operate the CAD office or a branch office.<sup>409</sup>



For a CAD to acquire or convey real property or construct or renovate a building or other improvement, three-fourths of the voting taxing units must approve.<sup>410</sup> The board of directors by resolution may propose a property transaction or other action that requires approval of the taxing units.<sup>411</sup> The chief appraiser must notify each taxing unit entitled to vote on the proposal by delivering a copy of the board's resolution, together with information showing the costs of other available alternatives to the proposal.<sup>412</sup> On or before the 30th day after the date a taxing unit receives notice of a proposal, the governing body of the taxing unit by resolution may approve or disapprove the proposal.<sup>413</sup> If a governing body fails to act by that time or fails to file its resolution with the chief appraiser on or before the 10th day after that 30th day, the proposal is treated as if it were disapproved.<sup>414</sup>

If a conveyance of real property owned by the CAD is approved, the board of directors may convey the real property and the proceeds are credited to each participating taxing unit in proportion to the taxing unit's allocation of the budget in the year in which the transaction occurs.<sup>415</sup>

## Technological Capabilities

The Tax Code requires CADs to electronically furnish certain material or communicate electronically in specific circumstances; CADs need to have the technological capabilities to fulfill these requirements.

When a property owner is required by the Tax Code to use a form, the office or agency with which the form is filed must make printed and electronic versions of the forms readily and timely available and must furnish a property owner a form without charge.<sup>416</sup>

A chief appraiser may enter into agreements with any property owner or a person designated by the property owner for the electronic delivery of any notice, rendition, application form or completed application.<sup>417</sup>

Property owners whose property is included in 25 or more accounts in a CAD with a population of more than 200,000 can request to enter into an agreement to receive notices of appraised value in electronic format.<sup>418</sup> The chief appraiser is required to enter into an agreement for that purpose if requested by this type of property owner and must deliver the notice in accordance with the electronic medium, format, content, and method prescribed by the Comptroller's office.<sup>419</sup> Comptroller Rule 9.4037 provides for the format for these electronic notices.

<sup>407</sup> Tex. Tax Code §6.05(a)

<sup>408</sup> Tex. Tax Code §6.05(b)

<sup>409</sup> Tex. Tax Code §6.051(a)

<sup>410</sup> Tex. Tax Code §6.051(b)

<sup>411</sup> Tex. Tax Code §6.051(b)

<sup>412</sup> Tex. Tax Code §6.051(b)

<sup>413</sup> Tex. Tax Code §6.051(b)

<sup>414</sup> Tex. Tax Code §6.051(b)

<sup>415</sup> Tex. Tax Code §6.051(c)

<sup>416</sup> Tex. Tax Code §1.09

<sup>417</sup> Tex. Tax Code §1.085(a) and (b)

<sup>418</sup> Tex. Tax Code §1.085(g)

<sup>419</sup> Tex. Tax Code §1.085(g)

In counties with more than 200,000 population and in counties that have implemented systems that allow electronic communications, the chief appraiser is required to notify property owners of the availability of electronic communications along with the necessary agreement forms.<sup>420</sup>

CADs that are in a county with a population of 500,000 or more must implement a system that allows the designation of a property tax agent to be signed and filed electronically.<sup>421</sup>

CADs must implement a system that allows a residence homestead owner to electronically:

1. file a notice of protest with the ARB regarding the determination of appraised value or unequal appraisal;
2. receive and review comparable sales data and other evidence that the chief appraiser intends to use at the protest hearing before the board;
3. receive, as applicable, a notice from the CAD that a settlement offer will not be made or receive a settlement offer from the CAD to correct the appraisal records by changing the market value and, if applicable, the appraised value of the property to the value as redetermined by the CAD; or
4. accept or reject a CAD settlement offer.<sup>422</sup>

This requirement applies to counties that maintain Internet websites (mandatory for counties with populations of 500,000 or more).<sup>423</sup>

CADs should work with the Comptroller's office to ensure Internet compatibility.

## Records System

Tax Code Section 5.07 and Comptroller Rule 9.3003 require offices appraising property to develop and maintain tax records system. Any of the required information may be maintained electronically rather than in physical documents. Such a system must include the following:

- appraisal cards;
- maps;
- rendition forms;
- report of decreased value forms;

<sup>420</sup> Tex. Tax Code §1.085(h)

<sup>421</sup> Tex. Tax Code §1.111(b)

<sup>422</sup> Tex. Tax Code §41.415(b)

<sup>423</sup> Tex. Tax Code §41.415(a)

- appraisal records of all property;
- tax roll of any taxing unit for whom the appraisal district assesses or collects;
- delinquent tax roll of any taxing unit for whom the office collects;
- alphabetical index;
- partial exemption lists;
- absolute exemption lists; and
- lists of properties receiving appraisal as open-space land; agricultural use; timber use; recreational, park and scenic land; and public access airports.

## Appraisal Records of All Property

Provisions in Tax Code Chapter 25 and Comptroller Rule 9.3004 requires all CAD offices to develop and maintain appraisal records of all property. These records must be two lists: one for real property and one list for personal property and must contain specified information as applicable. Any required information may be maintained electronically rather than in physical documents.

## Appraisal Cards

Comptroller Rule 9.3001 requires that all CAD offices that appraise property must develop and maintain a system of appraisal cards for all parcels of real estate which each office is required to appraise. A separate appraisal card must be developed and maintained for each parcel of residential or commercial real estate with specified items of information related to the land and to the improvements on the parcel. Many of these items of information, plus additional specified information, must be on the appraisal card for each parcel of rural or acreage real estate. The appraisal cards may be maintained electronically rather than in physical documents.

## Maps

In meeting the chief appraiser's principal responsibility to locate, record and appraise all property in the CAD, a complete set of maps is indispensable. Maps enable appraisers to locate each real property parcel, identify its size and shape and determine its relationship to factors that affect its value. Maps also serve to display market and statistical data, appraisal comparisons and land appraisals.

Comptroller Rule 9.3002 requires all appraisal districts and tax offices appraising property to establish and maintain a system of tax maps covering the entire area of the taxing units

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for whom each office appraises property. The tax map system must be annually updated to incorporate any new subdivisions or property transfers as indicated by the filing of subdivision plats or deeds with the county clerk's office of the county or counties in which the taxing units for whom each office appraises property are located. Any of the information may be maintained electronically rather than physical documents.

## **Local Government Records Management**

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CADs are subject to the preservation, microfilming, destruction and other records disposition provisions of Local Government Code Chapter 203.<sup>424</sup> For additional information about records management and retention, see the Texas State Library and Archives Commission at [www.tsl.texas.gov](http://www.tsl.texas.gov).

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<sup>424</sup> Tex. Tax Code §6.13





# CAD Personnel

The CAD board of directors may employ a general counsel for the CAD to serve at the will of the board.<sup>425</sup> The general counsel must provide counsel directly to the board and perform other duties and responsibilities as determined by the board.<sup>426</sup> The general counsel is entitled to compensation as provided by the budget adopted by the board.<sup>427</sup>

Through adopting the budget, the board of directors may direct the size and qualifications of staff, as well as set the goals and objectives of the CAD through its personnel. The chief appraiser may employ and compensate professional, clerical and other personnel as provided by the budget, with the exception of a general counsel to the CAD.<sup>428</sup>

A chief appraiser may not employ persons who are related to directors within the second degree by affinity or within the third degree by consanguinity as determined under Government Code Chapter 573.<sup>429</sup> A person commits an offense if the person intentionally or knowingly violates this prohibition; the offense is a misdemeanor punishable by a fine of at least \$100 and up to \$1,000.<sup>430</sup>

## Personnel Policy

IAAO's *Property Appraisal and Assessment Administration* provides general guidance on personnel management, including selection of employees, employee development, compensation, internal communication, motivation and leadership and system issues in management.<sup>431</sup>

Personnel manuals can inform employees about the CAD's goals and objectives, policies, procedures and guidelines to follow in the course of their duties. Manuals should be reviewed and updated on a regular basis. Examples of CAD personnel manuals are at [comptroller.texas.gov/taxinfo/proptax/personnel\\_policies/](http://comptroller.texas.gov/taxinfo/proptax/personnel_policies/).

Consult legal counsel for advice in preparing personnel policy manuals or handbooks.

## Professional Development

According to IAAO's *Standard on Professional Development*, "in-service training and continuing education of assessment personnel are essential parts of an effective program . . . ."<sup>432</sup>

Certain CAD employees register with and attain certification from TDLR. Registrants must pass one or more examinations to be certified and must participate to the extent required by TDLR in continuing education programs to maintain registration.<sup>433</sup> An individual may not serve as a chief appraiser unless the individual has completed chief appraiser training pursuant to Occupations Code Section 1151.164 and Tax Code Section 5.042.<sup>434</sup> This prohibition does not apply to a county TAC who serves as chief appraiser under Tax Code Section 6.05(c).<sup>435</sup> It applies only to a chief appraiser appointed on or after July 1, 2006.<sup>436</sup> Also, a person may serve in a temporary, provisional or interim capacity as chief appraiser for up to one year without completing the required training.<sup>437</sup>

<sup>425</sup> Tex. Tax Code §6.05(j)

<sup>426</sup> Tex. Tax Code §6.05(j)

<sup>427</sup> Tex. Tax Code §6.05(j)

<sup>428</sup> Tex. Tax Code §6.05(d)

<sup>429</sup> Tex. Tax Code §6.05(f)

<sup>430</sup> Tex. Tax Code §6.05(f)

<sup>431</sup> IAAO, *Property Appraisal and Assessment Administration*, (1990), pp. 429 to 439

<sup>432</sup> IAAO, *Standard on Professional Development*, (January 2013), p. 5. [http://docs.iaao.org/media/standards/Professional\\_dev\\_2013.pdf](http://docs.iaao.org/media/standards/Professional_dev_2013.pdf) (Last visited Dec. 29, 2015)

<sup>433</sup> Tex. Occupations Code §§1151.161 and 1151.1581

<sup>434</sup> Tex. Tax Code §5.042(a)

<sup>435</sup> Tex. Tax Code §5.042(c)

<sup>436</sup> Texas H.B. 2382, 79th Leg., Reg. Sess. (2005)

<sup>437</sup> Tex. Tax Code §5.042(b)

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Chief appraisers are required to complete at least half of their required continuing education hours in programs devoted to one or more of the topics listed in Occupations Code Section 1151.164(b) and at least two of the hours in ethics specific to maintaining the independence of an appraisal office from political pressure.<sup>438</sup>

A CAD should budget funds to cover necessary training and education expenses. A CAD is required to reimburse a CAD employee for all actual and necessary expenses, tuition and other fees and costs of materials incurred in attending, with approval of the chief appraiser, a course or training program sponsored or approved by TDLR.<sup>439</sup>

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<sup>438</sup> Tex. Occupations Code §1151.1581

<sup>439</sup> Tex. Tax Code §5.04(b)



# Assessment and Collection Functions

A taxing unit and a commissioner's court may contract their assessment and collection functions.<sup>440</sup> The Tax Code provides procedures for taxing units to follow to consolidate assessment, collection or assessment and collection functions with a CAD.<sup>441</sup> The CAD may be responsible for these functions for one or more of the CAD's taxing units.

If a CAD does assess, collect or assess and collect, please see Tax Code Subtitle E regarding collections and delinquency.

## Interlocal Contracts

The board of directors may enter a contract with a taxing unit or a commissioner's court to collect and assess taxes for that taxing unit or county (with county TAC approval).<sup>442</sup> These contracts are subject to the Interlocal Cooperation Act.<sup>443</sup> The contract may provide for the collecting entity to contract with an attorney to collect delinquent taxes.<sup>444</sup>



If a county contracts to have its taxes assessed and collected by another entity, the contract must require the assessment and collection of all the taxes the county is required to assess and collect except for special inventory taxes assessed and collected under specified provisions.<sup>445</sup> The Attorney General has held that Tax Code

Section 6.24 is construed as authorizing a contract to obtain assistance for the county TAC, as opposed to supplanting the TAC.<sup>446</sup>

## Consolidation Election

Pursuant to Tax Code Section 6.26, qualified voters may petition to consolidate the assessment and collection of property taxes. The Attorney General has held that Tax Code Section 6.26 is unconstitutional insofar as it contravenes the Texas Constitution, VIII, Section 14 and that the Legislature may not authorize the electorate to divest the county TAC of the assessment and collection duties, other than appraisal functions.<sup>447</sup>

Qualified voters residing in a CAD may petition to require an election to determine whether to require the CAD, county TAC or a specified taxing unit within the CAD to assess, collect or assess and collect property taxes on property appraised by the CAD for all taxing units.<sup>448</sup>

If a taxing unit assesses, collects or assesses and collects its own property taxes, the qualified voters of that taxing unit may submit a petition to the governing body of the taxing unit to require an election to determine whether to require the CAD, the county TAC or another taxing unit to assess, collect or assess and collect the taxing unit's property taxes.<sup>449</sup>

For a petition to be valid, it must make certain statements and be signed by a specified amount or percentage of certain qualified voters.<sup>450</sup>

The petition may require the CAD, the county TAC or a specified taxing unit within the CAD to perform the consolidated functions.<sup>451</sup> Neither a CAD nor a taxing unit may be required by an election to assess, collect or assess and collect taxes on property outside the CAD's boundaries.<sup>452</sup>

<sup>440</sup> Tex. Tax Code §6.24(a) and (b)

<sup>441</sup> Tex. Tax Code §6.26

<sup>442</sup> Tex. Tax Code §6.24(a) and (b)

<sup>443</sup> Tex. Tax Code §6.24(a) and (b)

<sup>444</sup> Tex. Tax Code §6.24(d)

<sup>445</sup> Tex. Tax Code §6.24(b) and (c)

<sup>446</sup> Tex. Att'y Gen. Op. JM-833 (1987)

<sup>447</sup> Tex. Att'y Gen. Op. JM-833 (1987)

<sup>448</sup> Tex. Tax Code §6.26(a)

<sup>449</sup> Tex. Tax Code §6.26(b)

<sup>450</sup> Tex. Tax Code §6.26(c)

<sup>451</sup> Tex. Tax Code §6.26(a)

<sup>452</sup> Tex. Tax Code §6.26(j)

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If the commissioner's court or the taxing unit's governing body finds that a petition is valid, it must order an election in the CAD or taxing unit on the next uniform election date prescribed by the Election Code that is more than 60 days after the last day on which it could have acted on the petition.<sup>453</sup>

If a majority of the qualified voters who voted in the election favor the proposition, the CAD, county TAC or specified taxing unit named on the ballot must perform the functions specified by the ballot beginning with the next time property taxes are assessed or collected, as applicable, that is more than 90 days after the date of the election. When the performance of a function begins before that time period, a function may be consolidated if the governing bodies agree, including the CAD board of directors if the CAD is involved.<sup>454</sup>

A consolidation may not be terminated within two years after the consolidation date.<sup>455</sup>

A taxing unit must pay the actual cost of the consolidated functions to the office or entity that performs the functions pursuant to an election.<sup>456</sup> Actual costs have been defined by the Attorney General as those costs that the collecting taxing unit or CAD incurs over and above those it would incur if it were not collecting for another taxing unit.<sup>457</sup>

A taxing unit may require a bond when a CAD collects for the taxing unit.<sup>458</sup> The taxing unit must pay the premium for the bond from its general fund or as provided by intergovernmental contract.<sup>459</sup>

## Annual Collection Budget

If a CAD is assessing and collecting, the district should outline the costs in a separate budget.<sup>460</sup> If the CAD performs assessment and collection functions under contract, the budget should be based on the contract. If the CAD collects under an election, the budget should be based on actual costs among the taxing units served.<sup>461</sup> The CAD must allocate costs only to those taxing units for which it performs assessment and collection functions.<sup>462</sup>

Special items in the annual collection budget could include required bonds, services of a delinquent tax attorney and court fees (if the CAD is handling delinquent collections).

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<sup>453</sup> Tex. Tax Code §6.26(e)

<sup>454</sup> Tex. Tax Code §6.26(f)

<sup>455</sup> Tex. Tax Code §6.26(i)

<sup>456</sup> Tex. Tax Code §6.26(g)

<sup>457</sup> Tex. Att'y Gen. Op. JM-996 (1988)

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<sup>458</sup> Tex. Tax Code §6.29(b)

<sup>459</sup> Tex. Tax Code §6.29(c)

<sup>460</sup> Tex. Att'y Gen. Op. GA-0030 (2003)

<sup>461</sup> Tex. Att'y Gen. Op. JM-996 (1988)

<sup>462</sup> Tex. Att'y Gen. Op. GA-0030 (2003)

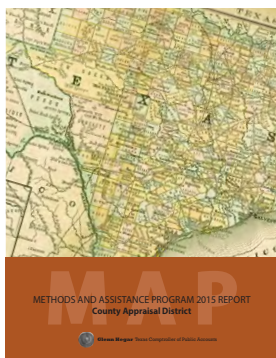




# Comptroller Review of CADs

The Comptroller's office advises local governments and taxpayers on property tax issues, but it cannot intervene in local tax matters. The Comptroller's office is required to adopt rules establishing minimum standards for CAD administration and operations and is also required to conduct reviews of CAD operations.<sup>463</sup>

## Methods and Assistance Program (MAP)



Starting in January 2010, the Comptroller's Property Tax Assistance Division (PTAD) began performing MAP reviews. At least once every two years, PTAD must review the governance of each CAD, taxpayer assistance provided and the operating and appraisal standards, procedures and methodology used by each CAD, to determine compliance with generally accepted standards, procedures and meth-

odology.<sup>464</sup> After consultation with the Property Value Study (PVS) Advisory Committee, the Comptroller's office by rule may establish procedures and standards for conducting and scoring the review.<sup>465</sup> Comptroller Rule 9.301 provides procedures and standards for the reviews and additional MAP information is available at [comptroller.texas.gov/taxinfo/proptax/map/index.html](http://comptroller.texas.gov/taxinfo/proptax/map/index.html).

In conducting the review, the Comptroller's office is entitled to access to all CAD records and reports, to copy or print these materials and to the assistance of the CAD's officers and employees.<sup>466</sup>

At the conclusion of the review, the Comptroller's office must, in writing, notify the CAD of its performance in the review.<sup>467</sup> If there is a finding of non-compliance with generally accepted standards, procedures and methodology, the Comptroller's office must deliver a report that details the findings and recommendations for improvement to the following:

1. the CAD's chief appraiser and board of directors; and
2. the superintendent and board of trustees of each school district participating in the CAD.<sup>468</sup>

If a CAD fails to comply with the report's recommendations and the Comptroller's office finds that the CAD board of directors failed to take remedial action reasonably designed to ensure substantial compliance with each report recommendation before the first anniversary of the date the report was issued, the Comptroller's office must notify TDLR. TDLR must take action necessary to ensure that the recommendations in the report are implemented as soon as practicable.<sup>469</sup> If TDLR takes action, then before Feb. 1 of the year following the year in which action is taken, TDLR must, with the assistance of the Comptroller's office, determine whether the recommendations in the most recent report have been substantially implemented.<sup>470</sup> TDLR must notify the CAD's chief appraiser and the board of directors in writing of the determination.<sup>471</sup>

## Property Value Study (PVS)

Government Code Section 403.302 requires the Comptroller's office to conduct a study to determine the total taxable value of all property in each school district at least once every two years. This study is referred to as the Property Value Study (PVS).

<sup>463</sup> Tex. Tax Code §§5.03, 5.10, 5.102, 5.12 and Tex. Gov't Code §403.302

<sup>464</sup> Tex. Tax Code §5.102(a)

<sup>465</sup> Tex. Tax Code §5.102(a)

<sup>466</sup> Tex. Tax Code §5.102(b)

<sup>467</sup> Tex. Tax Code §5.102(c)

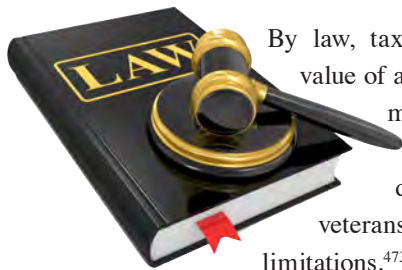
<sup>468</sup> Tex. Tax Code §5.102(c)

<sup>469</sup> Tex. Tax Code §5.102(d)

<sup>470</sup> Tex. Tax Code §5.102(e)

<sup>471</sup> Tex. Tax Code §5.102(e)

The primary purpose of the PVS is to help ensure equitable distribution of state funding for public education. Texas funds public education through state and local funds. Local funding comes from property taxes.<sup>472</sup> The chief appraiser of each CAD determines local property values and school districts set tax rates that determine the amount of local tax revenue. Texas bases state funding on the total taxable property value within each school district, as determined by the PVS.



By law, taxable value equals the market value of all taxable property in a district, minus certain exemptions and deductions such as state-mandated homestead and disabled veterans' exemptions as well as value limitations.<sup>473</sup> Deductions are made for reinvestment zones, freeport exemptions, productivity appraisal of qualified agricultural lands, the school tax ceiling for homeowners age 65 and older or disabled and other state-mandated exemptions.<sup>474</sup>

To estimate a school district's taxable value, the Government Code requires the Comptroller's office to do the following:

- use generally accepted sampling, standard valuation, statistical compilation and analysis techniques;
- ensure that different levels of appraisal on sold and unsold property do not adversely affect the accuracy of the study and that different levels of appraisal resulting from protests to the ARB on the grounds of market or appraised value or unequal appraisal (Tax Code Sections 41.41(a)(1) or (2)) are appropriately adjusted in the study; and
- test the validity of taxable values and presume that appraisal roll values represent taxable value when local value is determined to be valid.<sup>475</sup>

The Comptroller's office tests the taxable values the CAD assigns to each property category by constructing a statistical margin of error around the estimate of value for selected property categories in each school district.<sup>476</sup> The Comptroller's office considers values valid, or acceptable, when they

are within the margin of error.<sup>477</sup> The Comptroller's office considers values outside this margin of error invalid.<sup>478</sup>

If the locally appraised value in a school district (local value) is valid, the Comptroller's office certifies the local value to the Commissioner of Education.<sup>479</sup> If the local value is invalid, the Comptroller's office certifies the state value, unless the school district's value is higher than the acceptable range or the school district is eligible for a grace period (a period during which state law allows local value to be used even though the school district's property values are not at market value).<sup>480</sup>

The Education Code provides how the Commissioner of Education uses the findings of the PVS to determine state aid in school funding.

The secondary purpose of the PVS is to collect data to provide taxpayers, school districts, CADs and the Legislature with measures of CAD performance. Tax Code Section 5.10 requires the Comptroller's office to measure CAD performance at least once every two years and to publish the results. The Comptroller's office measures the level and uniformity of property tax appraisals using data collected in the PVS. The level of appraisal shows whether the CAD has appraised properties at 100 percent of the legally required level—normally the market value. The uniformity of appraisal indicates how much the percentage of market value varies from property to property.

Additional information regarding the PVS is available at: [comptroller.texas.gov/taxinfo/proptax/pvs.html](http://comptroller.texas.gov/taxinfo/proptax/pvs.html).

## Performance Audits

The Comptroller's office must perform performance audits of CADs that fail to meet specified standards for two consecutive studies conducted by the Comptroller's office under Tax Code Section 5.10.<sup>481</sup> Existence of any one of the following conditions for two consecutive years triggers an audit:

1. the overall median level of appraisal for all properties in the CAD is less than 0.75 as determined in the Comptroller's study;

<sup>472</sup> Tex. Gov't Code §403.301

<sup>473</sup> Tex. Gov't Code §403.302(d)

<sup>474</sup> Tex. Gov't Code §403.302(d)

<sup>475</sup> Tex. Gov't Code §403.302(b) and (c)

<sup>476</sup> Tex. Gov't Code §403.302(c)

<sup>477</sup> Tex. Gov't Code §403.302(c)

<sup>478</sup> Tex. Gov't Code §403.302(c)

<sup>479</sup> Tex. Gov't Code §403.302(c)

<sup>480</sup> Tex. Gov't Code §§403.302(c) and 403.3011(2)

<sup>481</sup> Tex. Tax Code §5.12(a)

2. the coefficient of dispersion around the median of the overall property sample is greater than 0.30; or
3. the difference between median levels of appraisal for any two property classes is greater than 0.45.<sup>482</sup>

Under certain circumstances, the Comptroller's office must also complete an audit if a majority of participating taxing units or a majority of voting taxing units submit a written request to the Comptroller's office for a performance audit or an audit of only one or more particular matters.<sup>483</sup>

Additionally, owners of at least 10 percent of accounts or parcels of property in a single class can petition for a performance audit (but only if the class makes up at least 5 percent of the total property value in the district).<sup>484</sup> Further, on written request, property owners may request an audit if the owners represent not less than 10 percent of the appraised value of all the property in the CAD belonging to a single class of property if that property class makes up at least 5 percent of the CAD's total property value.<sup>485</sup>

Taxing units and property owners may not request an audit if, for the last two PVS under Tax Code Section 5.10:

1. the overall median of appraisal for all of the CAD's property is more than 0.90 and less than 1.10;
2. the coefficient of dispersion for the overall property sample in the study is less than 0.15; and
3. the difference between the highest and lowest median appraisal levels for the various property classes is less than 0.20.<sup>486</sup>

A request for a CAD performance audit may not be made:

1. during the two years immediately following the publication of the second of two consecutive studies according to which the Comptroller's office is required to conduct an audit of the CAD;
2. during the year immediately following the date the results of an audit of the CAD conducted by the Comptroller's office are reported to the chief appraiser of the CAD; or
3. during a year in which the Comptroller's office is conducting a MAP review of the CAD under Tax Code Section 5.102.<sup>487</sup>

CADs must bear the cost of audits triggered by study results or triggered by a taxing unit request for an audit.<sup>488</sup> The cost of a taxpayer-requested audit is borne by the requesting taxpayers.<sup>489</sup> However, the CAD must reimburse the cost of a taxpayer-requested audit if the audit's results show that the median level of appraisal for a class of property exceeds 1.10 or the median level of appraisal for one class of property varies by at least 10 percent from the overall median level of property in the CAD.<sup>490</sup>

The Comptroller's office must report the results of the audit in writing to the governing body of each participating taxing unit, the chief appraiser and to the presiding officer of the CAD board of directors.<sup>491</sup> If it is a taxpayer-requested audit, the Comptroller's office must also provide a report to a representative of the property owners who requested the audit.<sup>492</sup>

<sup>482</sup> Tex. Tax Code §5.12(a)

<sup>483</sup> Tex. Tax Code §5.12(b)

<sup>484</sup> Tex. Tax Code §5.12(c)

<sup>485</sup> Tex. Tax Code §5.12(c)

<sup>486</sup> Tex. Tax Code §5.12(d)

<sup>487</sup> Tex. Tax Code §5.12(e)

<sup>488</sup> Tex. Tax Code §5.13(g)

<sup>489</sup> Tex. Tax Code §5.13(g)

<sup>490</sup> Tex. Tax Code §5.13(g)

<sup>491</sup> Tex. Tax Code §5.13(f)

<sup>492</sup> Tex. Tax Code §5.13(f)

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