



**ORANGE COUNTY
APPRAISAL DISTRICT**

**BOARD OF DIRECTORS
POLICY MANUAL**

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SECTION 1 – ORGANIZATION

1.01 BOARD OF DIRECTORS

1.01(a) Eligibility

- (1) The Appraisal District is governed by a Board of five Directors.
- (2) If the County Tax Assessor-Collector is not appointed to the Board under the regular process, the County Tax Assessor-Collector serves as a non-voting Director.
- (3) To be eligible to serve on the Board of Directors, an individual other than the County Tax Assessor-Collector serving as a non-voting Director must be a resident of the District and must have resided in the District for at least two years immediately preceding the date the individual takes office.
- (4) An individual who is otherwise eligible to serve on the Board is not ineligible because of membership on the governing body of a taxing unit or because the individual is an elected official. However, 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.

PTC Sec. 6.03(a)

- (5) Delinquent Taxes - An individual who owes delinquent property taxes is disqualified from serving on the Board. The person must own property on which delinquent property taxes have been owed for more than 60 days, after the person knew or should have known of the delinquency. This disqualification does not apply if the person is paying the delinquent taxes under an installment payment agreement or has deferred or abated a suit to collect the delinquent taxes.

PTC Sec. 6.412

- (6) Family Relationships – An individual is ineligible to serve on the Board of Directors and is disqualified from employment as Chief Appraiser if the individual is related within the second degree by consanguinity or affinity, as determined under §Chapter 573, Government Code, to:
 - (a) an appraiser who appraises property for use in the Districts Appraisal Review Board proceeding, or;
 - (b) a tax representative who represents taxpayers for compensation before the District’s Appraisal Review Board.

A director who continues to serve knowing he or she is related in this manner to an appraiser or tax representative commits a Class B misdemeanor.

See Exhibit A

(7) Conflict of Interest

Board members are subject to three conflict of interest statutes. A conflict of interest occurs when a person in government has personal or business interests that may conflict with the interest of the taxpayers. §Chapters 171 and 176, Local Government Code, and

§Section 6.036 of the Property Tax Code place conflict of interest provisions on Directors.

See Exhibit B

A person is not eligible to be appointed to or to serve on the Board of Directors of the Appraisal District if the person or a business entity in which the individual has a substantial interest in a party to a contract with:

- (a) the Appraisal District; or
- (b) a taxing unit that participates in the Appraisal District, if the contract relates to the performance of an activity governed by §Sec. 171 Local Government Code.

An Appraisal District may not enter a contract with a member of the board of directors of the Appraisal District or with a business entity in which a member of the board has a substantial interest. Substantial interest is defined in §Section 6.036 of the Property Tax Code.

A taxing unit may not enter into a contract relating to the performance of an activity governed by §Section 171 Local Government Code with a member of the board of directors in which the taxing unit participates or with a business entity in which a member of the board has a substantial interest.

A board of directors member will be required to file an affidavit and abstain from discussion or voting on a matter if they, or close family member have a substantial business interest in a business entity or in real property, and it is reasonably foreseeable that a vote or decision on any matter involving such business entity or real property would have a special economic effect on the entity on the value of the property, distinguishable from its effect on the public.

Pursuant to §Chapter 171, Local Government Code, a substantial business interest is defined as:

- (a) ownership of 10% or more of the voting stock or shares of a business entity or ownership of 10% or more or \$15,000 or more of the fair market value of the business entity; or
- (b) funds received from the business entity exceed 10% of the board member's gross income for the pervious year; or
- (c) an equitable or legal ownership interest in real property, where such interest has a fair market value of \$2,500 or more.

§Chapter 171 of the Texas Local Government Code requires that such affidavit be filed by the board member affected before a vote or decision on any matter and such board member shall abstain from further participation in the matter to include discussion or voting. The affidavit shall be filed with the official record keeper of the Appraisal District. It is the policy of the Appraisal District to comply with all provisions of this statute.

1.01(b) Method of Selection

- (1) Members of the Board of Directors, other than the County Tax Assessor-Collector serving as a non-voting Director, are appointed by vote of the governing bodies of the cities, school districts, conservation

and reclamation districts, and the County that participate in the District. Any other special district is not entitled to vote. A governing body may cast all of its votes for one candidate or distribute them among candidates for any number of directorships.

PTC Sec. 6.03(c)

(2) The voting entitlement of a taxing entity that is entitled to vote for the Board of Directors is determined by dividing the total dollar amount of property taxes imposed in the District by the taxing unit for the preceding tax year by the sum of the total dollar amount of property taxes imposed in the District for that year by each taxing unit that is entitled to vote, by multiplying the quotient by 1,000, and by rounding the product to the nearest whole number. That number is multiplied by the number of directorships to be filled. A taxing unit participating in two or more districts is entitled to vote in each district in which it participates, but only the taxes imposed in a district are used to calculate voting entitlement in that district.

(3) Conservation and reclamation districts are not entitled to vote unless at least one conservation and reclamation district 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.

PTC Sec. 6.03(d)

(4) The Chief Appraiser shall calculate the number of votes to which each taxing unit other than a conservation and reclamation district is entitled and shall deliver written notice to each of those units of its voting entitlement before October 1 of each odd-numbered year. The Chief Appraiser shall deliver the notice:

- (a) to the County Judge and each Commissioner of the county;
- (b) to the presiding officer, the City Manager, and city secretary or clerk of each city or town; and
- (c) to the presiding officer and superintendent of each school district.

PTC Sec 6.03(e)

(5) The nominees of the County, cities, and school districts are submitted, then all taxing units that are entitled to vote, cast their votes. The election process begins when the Chief Appraiser calculates the number of votes to which each taxing unit is entitled to and delivers written notice of the voting entitlement to the County Judge and each County Commissioner, the presiding officer of the city council and the city manager of each city participating in the District, and to the presiding officer of the board of trustees and the superintendent of each school district participating in the District before October 1.

Each of these taxing units may nominate by resolution adopted by its governing body one candidate for each position to be filled on the Board of Directors. The presiding officer of the governing body of the unit shall submit the name(s) of the unit's nominees to the Chief Appraiser before October 15. Before October 30, the Chief Appraiser shall prepare a ballot, listing the candidates alphabetically according to the first letter in each candidate's surname, and shall deliver a copy of the ballot to the presiding officer of the governing body of each taxing entity that is entitled to vote.

(6) The governing body of each taxing unit entitled to vote shall determine its vote by resolution and submit it to the Chief before December 15. The Chief Appraiser shall count the votes, declare the five candidates who receive the largest cumulative vote totals elected, and submit the results before December 31 to the governing body of each taxing entity in the District and to the candidates.

The Chief Appraiser shall resolve a tie vote in either election by any method of chance.

PTC Sec. 6.03(k)

1.01(c) Term of Office

Members of the Board of Directors, other than the County Tax Assessor-Collector serving as a non-voting director, serve two-year terms beginning on January 1 of even-numbered years.

PTC Sec. 6.03(b)

1.01(d) Board Vacancy

If a vacancy occurs on the Board of Directors, other than a vacancy in the position held by the County Tax Assessor-Collector serving as a non-voting Director, the Board notifies the voting units of the vacancy. Each taxing unit that is entitled to vote may then nominate by resolution adopted by its governing body a candidate to fill the vacancy. The unit shall submit the name of its nominee to the Chief Appraiser within forty-five (45) days after notification from the Board of Directors of the existence of the vacancy, and the Chief Appraiser shall prepare and deliver to the Board of Directors within five days a list of the nominees. The Board of Directors shall elect by majority vote of its members one of the nominees to fill the vacancy.

PTC Sec. 6.03(l)

1.01(e) Changes in Board Membership or Selection

The District is allowed to change the number of directors or the method of selection, or both, subject to veto by any voting unit.

PTC Sec. 6.031

1.01(f) Appointed Officials

Members of the Board of Directors are appointed officials of a political subdivision of the State of Texas and are bound by constitutional and statutory provisions that apply to appointed officials.

1.01(g) Recalling a Director

A member of the Board of Directors of the Appraisal District may be removed from office in accordance with §Section 6.033 of the Property Tax Code.

1.02 GENERAL STATEMENT OF FUNCTIONS

1.02(a) Primary Responsibilities of the Board of Directors

- (1) Establish the Appraisal District's appraisal office;
- (2) Adopt the Appraisal District's annual operating budget;
- (3) Contract for necessary services;

- (4) Hire a chief appraiser.
- (5) Hire a taxpayer liaison officer (district in counties with population of over 125,000);
- (6) Appoint Appraisal Review Board members; and
- (7) Make general policy on the District's operation.

1.02(b) Appraising Property

District is responsible for appraising property in the District for ad valorem tax purposes of the State and of each taxing unit that imposes ad valorem taxes on property in the District.

PTC Sec. 6.01(c)

1.02(c) Delegating Appraisal Office Duties

The Board of Directors may contract with an appraisal office in another district or with a taxing unit in the District to perform the duties of the appraisal office for the District.

1.03 OFFICERS OF THE BOARD OF DIRECTORS

1.03(a) Election of Officers

- (1) At its first meeting each calendar year, the Board shall elect from its members a Chair and a Secretary.
- (2) Other offices such as Vice-Chair and Treasurer may also be elected.

1.03(b) Duties of the Chair

The Chair shall preside over all meeting of the Board. The Chair is responsible for following parliamentary rules of order and those rules of procedure adopted by the Board. The Chair will work closely with the Chief Appraiser to ensure that Board policies and procedures are carried out. The Chair will keep all Board members aware of and distribute information and materials for each meeting. The Chair or the Chair's designee will represent the Board in speaking about the Appraisal District to the media, general public, taxing units, and other interested parties and organizations. The Chair will work with the Chief Appraiser to prepare meeting agendas. The Chair will sign the minutes of each meeting after Board approval.

The Chair of the Board has the authority to appoint committees as deemed necessary, without the approval of the Board. Such appointments shall be reported at the next meeting of the Board if appointments are made other than at a Board meeting.

1.03(c) Duties of the Secretary

The Secretary's duties include posting notice of meetings as required by the Open Meetings Act; keeping full and accurate minutes of meetings as required by the Open Meetings Act; filing the minutes of each meeting with the appraisal office for the public inspection required by the Open Meetings Act; sending copies of each meeting to each director; and attesting to the minutes after the board approves and the chair signs them.

The Secretary may delegate these duties to an employee of the District.

1.03(d) Duties of the Vice-Chair

In the absence of the Chair, the Vice-Chair shall preside over all meetings of the Board.

1.03(e) Participation of the Chair

The Chair of the Board shall have authority to fully participate in debate, discussion, or voting on an equal basis with other members. However, the opinion or vote of the Chair shall be given no greater weight than that of any other member.

1.04 OATH OF OFFICE AND STATEMENT OF APPOINTED OFFICER

1.04(a) Statement of Elected/Appointed Officer

(1) Prior to taking the Oath of Office and entering the duties of office, each newly appointed Board member is required to file a Statement of Officer to be filed with the Appraisal District office.

See Exhibit C

(2) This statement will be administered once a Board member has been elected and before the term of office begins. It must be taken and signed before a notary public, county clerk, judge, or other official authorized to administer oaths of office.

1.04(b) Oath of Office

All Board members are required to take the Oath of Office provided by the Texas Constitution before beginning their term of office. The earliest date that the oath can be administered is January 1 of the year in which the terms begin. Members of the Board must be duly sworn before taking any official action. The oath must be taken and signed before a notary public, county clerk, judge, or other official authorized to administer oaths of office.

See Exhibit D

1.05 MEETINGS OF THE BOARD OF DIRECTORS

1.05(a) Quorum

At all meetings of the Board, a majority of the members shall constitute a quorum for the transaction of business.

PTC Sec. 6.04(a)

1.05(b) Regular Meetings

Regular meetings of the Board of Directors shall be held quarterly at the Appraisal District office or such time or place as the Board may decide. The Board may hold workshop sessions, as necessary.

1.05(c) Special Meetings

Special meetings of the Board may be called by the chair or upon the written request of at least two members of the Board.

1.05(d) Parliamentary Procedure

Robert's Rules of Order, Newly Revised shall be followed by the chair in the conduct of all meetings of the Board.

1.05(e) **Agenda**

An agenda shall be prepared under the direction of the Chief Appraiser and the Chair of the Board. For an item of business to appear on the agenda, the Chief Appraiser or Chair must be notified no later than one week in advance of the meeting. Otherwise, the item of business will be placed on the agenda for the next meeting of the Board.

1.05(f) **Open Meetings Act**

(1) Notice of the meeting shall always be posted in a place readily accessible to the public for at least 72 hours preceding the scheduled time of the meeting. In the case of an emergency, the nature of which shall be expressed in the notice, it shall be sufficient if the notice is posted two hours before the meeting is convened.

Except as otherwise provided by Section 551.000 et seq of the Texas Government Code, all meetings shall be open to the public. No closed or executive meeting shall be held unless the Board has first been convened in open meeting for which notice has been given. For all closed, or executive sessions, a certified agenda must be kept indicating the time at which the closed, or executive sessions, a certified agenda must be kept indicating the time at which the closed meeting began and ended, the subject matter discussed, and a record of any further action taken. Said certified agenda must be kept on record for at least a two-year period after the date of the meeting.

All meetings of the Board, excluding Executive Sessions, shall be recorded and the recordings of all meetings shall be public record.

(2) Open Meetings Training – Each Board of Directors member, each Appraisal Review Board member and the Chief Appraiser shall complete a course of training of not less than one and not more than two hours regarding the responsibilities of the appraisal district and its members under the Open Meetings Act not later than the 90th day after the member:

(a) Takes the oath of office, if the member is required to take an oath of office to assume the person's duties as a member of the board; or

(b) Otherwise assumes responsibilities as a member of the appraisal district if the member is not required to take an oath of office to assume the person's duties as a member of the board.

The Chief Appraiser may provide Open Meetings training to the employees on an as needed basis. The Attorney General's office provides the required course online. A certificate is issued upon completion of the course.

1.05(g) **Amendment of Rules**

Board policies may be altered, amended, or repealed and new policies 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 meeting notice.

1.05(h) **Disapproval of Board Actions**

If the governing bodies of a majority of the taxing units entitled to vote on the appointment of Board members adopt resolutions disapproving an action taken by the Board, other than adoption of the budget, and file them with the Secretary of the Board within 15 days after the action is taken, the action is revoked effective the day on which the required number of resolutions is filed.

1.05(i) Disclosure of Certain Relationships with Local Government Officers; Providing Public Access to Certain Information

The Board of Directors, the Chief Appraiser, and any employee of the Orange County Appraisal District, acting in their official capacity shall comply with all requirements of the Texas Local Government Code, Chapter 176.

Exhibit J

1.05(j) Conflict Disclosure Statement

- (1) A Board Member or other local government officer may be required to file a statement when certain persons or the person's agent contracts or seeks to contract for the sale or purchase of property, goods, or services with the Appraisal District.
- (2) Chapter 176 of the Texas Local Government Code requires that a local government officer file a Conflict Disclosure Statement when he/she becomes aware that a conflict has been executed or is being considered by the Appraisal District and the person seeking the contract has:
 - (a) an employment or other business relationship with the local government officer or the officer's family member that results in the receipt of taxable income, other than investment income, that exceeds \$2500 during the preceding 12-month period; or
 - (b) given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$250 in the preceding 12 month period unless the gift is given by a family member of the person accepting the gift; a political contribution as defined by Title 15, Education Code, or food, lodging, transportation, or entertainment accepted as a guest.
- (3) The Conflicts Disclosure Statement (Form CIS) must be filed with the records administrator of the Appraisal District not later than 5:00 PM on the seventh business day after the date the board member becomes aware of the facts that require the filing of the Conflict Disclosure Statement. It is the policy of the Orange County Appraisal District to comply with all provisions of this statute.

1.05(k) Ex Parte Communications Between Board of Directors and Chief Appraiser

- (1) A member of the Board of Directors or the Chief Appraiser commits an offense (a Class C misdemeanor) if either directly or indirectly communicates on any matter relating to the appraisal of property by the appraisal district, except in:
 - a. an open meeting of the Board of Directors or another public forum; or

b. a closed meeting of the Board of Directors held to consult with the Board's attorney about pending litigation.

(2) This does not apply to routine communications between the Chief Appraiser and the County Tax Assessor-Collector that relate to the administration of the appraisal roll including communications made in connection with the certification, correction, or collection of an account, regardless of whether the County Assessor-Collector was appointed to the Board of Directors of the district or serves as a non-voting member.

PTC Sec. 6.15

1.06 GENERAL PROVISIONS

1.06(a) Board Member Compensation

The Board of Directors shall serve without compensation as stated in Section 6.04(c) of the Property Tax Code.

1.06(b) Board Member Expenses

Reimbursements to Board members for reasonable travel expenses for attendance at any out of district convention, conference, workshop, or committee meeting may be made by the District when attendance is authorized by the Board to be necessary or desirable in carrying out the functions of the Appraisal District and reimbursement is requested.

Mileage will be paid by the District at the same rate set by the Internal Revenue Service (IRS) as the allowable rate for a business expense.

1.06(c) Non-Member Expenses

The Board may not pay the travel expenses of a spouse and/or other persons.

1.07 DISTRICT BOUNDARIES

1.07(a) Except as otherwise provided, the District's boundaries are the same as the County's boundaries.

See Exhibit E

1.08 REAPPRAISAL PLAN

To ensure adherence with general accepted appraisal practices, the Board shall develop biennially a written plan for the periodic reappraisal of all properties within the boundaries of the District according to the requirements of §Sec. 25.18 of the Property Tax Code and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the Secretary of the Board shall deliver to the governing body of each taxing unit participating in the District a written notice of the date, time, and place for the hearing. Not later than September 15 of each even-numbered year, the Board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the District and to the Comptroller within 60 days of the approval date.

Sec. 6.05(i)

Sec. 25.18

SECTION 2 – POWERS AND DUTIES OF THE CHIEF APPRAISER

2.01 DESIGNATION OF THE CHIEF APPRAISER

2.01(a) Chief Administrator

The Chief Appraiser is the chief administrator of the Appraisal District. The Chief Appraiser is appointed by and serves at the pleasure of the Board of Directors.

PTC Sec. 6.05(c)

2.01(b) Filling Chief Appraiser Vacancy

In the event the position of Chief Appraiser becomes vacant, the following procedures should be performed during the process of interviewing and hiring a replacement.

- (1) Depending on the circumstances causing the vacancy to occur, it may be necessary for the Board of Directors to make an interim appointment until a permanent replacement is made. It may be necessary for the Board of Directors to have called meetings to assist the interim Chief Appraiser as well as for interviews, etc. All meetings will be held in accordance with the Texas Open Meetings Act.
- (2) A “search committee” of two Board of Director members may be appointed by the Board Chair. The search committee may obtain the services of a consultant and/or professional executive search firm, if necessary, to assist the search committee with its duties.
- (3) A timeline may be developed and adopted to schedule such items as:
 - (a) A deadline for filling the position.
 - (b) A deadline for accepting applications, and
 - (c) The time frame and publications to be used for advertising the position opening.
- (4) The “search committee” with the approval of the full Board of Directors may develop minimum acceptable requirements (Registered Professional Appraisal designation, minimum education, work history, etc.) that conform with Texas law
- (5) The “search committee” may hold meetings as necessary to review applications to determine whether they meet minimum requirements and to pre-determine acceptable applicants.
- (6) After all applicants have been reviewed; the committee should report to the full Board, all acceptable applications and those applicants should be notified as to when the interview process will begin.
- (7) The Board of Directors will interview all acceptable applicants and make final determination. The Board of Directors will negotiate a contract package
- (8) This process may vary with Board of Directors action.

2.01(c) **Compensation**

As part of the evaluation process, the board will review and consider salary information of comparable appraisal districts.

The Chief Appraiser is entitled to compensation as provided by the budget adopted by the Board of Directors.

PTC Sec. 6.05(d)

2.01(d) **Employment of Staff**

(1) The Chief Appraiser may employ and compensate professional, clerical, and other personnel as provided by the budget.

PTC Sec. 6.05(d)

(2) The Chief Appraiser may delegate authority to his/her employees.

PTC Sec. 6.05(e)

2.02 **POWERS AND DUTIES**

2.02(a) **Appraisals**

The Chief Appraiser's primary duty is the discovery, listing, review, and valuation of all taxable property within the District, using standard approaches for determining market value.

2.02(b) **Exemptions**

The Chief Appraiser determines the requests for total or partial exempt status on certain types of properties in accordance with Chapter 11 of the Property Tax Code.

He/she further determines the eligibility (and change of use) for productivity or special valuation on certain properties and establishes both market and productivity value on certain properties in accordance with §Section 23 of the Property Tax Code.

2.02(c) **Appraisal Records**

The Chief Appraiser establishes appraisal records, including appraisal cards, tax maps, identification system of property, lists, forms, applications, and other items as required by the Property Tax Code and Comptroller rules.

2.02(d) **Notices**

(1) The Chief Appraiser must send to and receive from property owners, rendition forms, exemption applications, and other application and reports as set out in the Property Tax Code and Comptroller rules.

(2) He/she further must send notices of appraised value, with estimated taxes noted, to those property owners whose values are increased over the previous year or over the rendered value, or on new properties appraised for the first time.

PTC Sec. 25.19

2.02(e) Appraisal Roll

The Chief Appraiser must timely appraise all property within the District, submit the appraisal records to the Appraisal Review Board, prepare and submit estimates of value to the assessor for each school district, certify the appraisal roll and make any supplements to the roll as necessary as set out in the Property Tax Code.

2.02(f) Level of Appraisals

All appraisals shall be equal and uniform within the different categories of properties and among the different categories of properties. The District shall maintain values at a level reflective of the current market values. The level of appraisal as determined by the Property Tax Division of the State Comptroller's Office in their annual ratio study shall be presented to the Board as a matter of information.

2.02(g) Appraisal Plan

Annually, the Chief Appraiser shall prepare a specific plan for the periodic appraisal of all property within the District to be presented for Board approval.

2.02(h) Budget

The Chief Appraiser is responsible for the annual preparation of the District's budget.

2.02(i) Custodian of Records

The Chief Appraiser acts as the custodian of all District records.

2.02(j) Supervision

The Chief Appraiser supervises the work of the contractors such as appraisal firms, computer services, etc.

2.02(k) Press Releases / Press Interviews

The Chief Appraiser is responsible for all press releases and/or interviews. In the event the Chief Appraiser is not available to give a release or interview, the Board Chair should be notified. The Board Chair, if available, will give the release or interview or will assign the task to either another board member or the Deputy Chief Appraiser.

In any case, the Board Chair, and the Chief Appraiser, if not giving the release or interview, should be notified as soon as possible as to any contact with the press.

2.02(l) Appeals

The Chief Appraiser shall appear at each protest hearing before the appraisal review board to represent the appraisal office. The Chief Appraiser may designate a district employee to serve in this capacity.

PTC Sec. 41.45(c)

2.02(m) Agricultural Advisory Committee

The Chief Appraiser shall appoint, with the advice and consent of the Board, an agricultural advisory committee.

PTC Sec. 6.12

2.03 DUTIES ASSIGNED BY THE BOARD OF DIRECTORS TO THE CHIEF APPRAISER.

- (1) Keeps the Board informed on the operation and progress of the District and assists in development of operational policies and procedures.
- (2) Handles arrangements, notices, and mailings for Board meetings.
- (3) Administers policies established by appropriate federal, state, and local agencies, and by the District's board.
- (4) Handles any other duties that may be assigned by the Board.

2.04 TENURE

2.04 (a) Term of Service

The Board of Directors appoints the Chief Appraiser to serve an indefinite term; however, the employment of the Chief Appraiser is not binding on future Boards.

2.04 (b) Evaluation

The Board of Directors will conduct an evaluation of the Chief Appraiser's job performance on an annual basis.

SECTION 3 – BUDGET

3.01 BUDGET OFFICERS

3.01(a) General

The Chair of the Board of Directors shall serve as the Chief Budgetary Officer and the Secretary shall serve as the Deputy Budgetary Officer.

3.02 PRELIMINARY AND ADOPTED BUDGET

3.02(a) Preliminary

Before June 15 of 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 the district Board of Directors. Included in the budget shall be a list showing each proposed position, the proposed salary for the position, all benefits proposed for the position, each proposed capital expenditure, and an estimate of the amount of the budget that will be allocated to each taxing unit.

PTC Sec. 6.06(a)

3.02(b) Approval of Budget

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 10th day before the date of the hearing, a written notice of the date, time, and place fixed for the hearing. The Board shall complete its hearings, make any amendments to the proposed budget it desires, and finally approve a budget before September 15. If governing bodies of a majority of the taxing units entitled to vote on the appointment of Board members adopt resolutions disapproving the budget and file them with the Secretary of the Board within 30 days after its adoption, the budget does not take effect, and the Board shall adopt a new budget within 30 days of the disapproval.

PTC Sec. 6.06(b)

3.02(c) Amendment to Budget

(1) With proper notice, the Board may amend the approved budget at any time. The Secretary of the Board must deliver a written copy of a proposed amendment to the presiding officer of the governing body of each taxing unit participating in the District not later than the 30th day before the date the Board acts on it.

PTC Sec. 6.06(c)

3.03 ALLOCATION OF BUDGET

3.03(a) Method

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 participating unit for that year. If a taxing unit participates in two or more districts, only the taxes imposed in a district are used to calculate the unit's cost allocations in that district. If the number of real property parcels in a taxing unit is less than 5 percent of the total number of real property parcels in the District and the taxing unit imposes in excess of 25 percent of the total amount of the property taxes imposed in the district by all of the participating taxing units for a year, the unit's allocation may not exceed a percentage of the District's budget equal to three times the unit's percentage of the total number of real property parcels appraised by the District.

PTC Sec. 6.06(d)

3.03(b) Payment

Unless the governing body of a taxing entity and the Chief Appraiser agree to a different method of payment, each taxing entity shall pay its allocation of four equal payments to be made at the end of each calendar quarter. 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 percent of the amount of the payment and accrues interest at an annual rate of 10 percent. If the budget is amended, any change in the amount of a unit's allocation is apportioned among the payments remaining. The Board of Directors may waive the penalty and interest on the delinquent payment for good cause. A letter needs to be presented in writing to the Board of Directors by the taxing entity stating good cause for the penalty and interest to be waived.

PTC 6.06(e)(k)

3.03(c) Disbursement of Funds

Payments shall be made to a depository designated by the Board of Directors. The District's funds may be disbursed only by those persons having authority to sign checks.

PTC Sec. 6.06(f)

3.03(d) Liability

If a taxing unit decides not to impose taxes for any tax year, the unit is not liable for any of the cost of operating the District in that year, and those costs are allocated among the other taxing units as if that unit had not imposed taxes in the year used to calculate allocations. However, if that unit has made any payments, it is not entitled to a refund.

PTC Sec. 6.06(g)

3.03(e) Newly Formed Taxing Unit

If a newly formed taxing unit or a taxing unit that did not impose taxes in the preceding year imposes taxes in any tax year, that unit is allocated a portion of the amount budgeted to operate the District as if it had imposed taxes in the preceding year, except that the amount of taxes the unit imposes in the current year is used to calculate its allocation. Before the amount of taxes to be imposed for the current year is known, the allocation may be based on an estimate to which the District Board of Directors and the governing body of the unit agree, and the payments made after that amount is known shall be adjusted to reflect the amount imposed. The

payments of a newly formed taxing unit that has no source of funds are postponed until the unit has received adequate tax or other revenues.

PTC Sec. 6.06(h)

3.03(f) **Appropriation of Funds**

The Chief Appraiser is authorized to reallocate funds from unencumbered balances to cover deficiencies in any budgeted amount of said category. However, expenditure from the contingency fund requires approval of the Board of Directors.

3.04 **USE OF FUND BALANCES AT END OF THE FISCAL YEAR**

If the total amount of the payments made or due to be made by the taxing units participating in an appraisal district exceeds the amount actually spent or obligated to be spent during the fiscal year for which the payments were made, the chief appraiser shall credit the excess amount against each taxing unit's budget allocation for the fiscal year for which the payments were made. If a taxing unit that paid its allocated amount is not allocated a portion of the district's budget for the following fiscal year, the chief appraiser shall refund to the taxing unit its proportionate share of the excess funds not later than the 150th day after the end of the fiscal year for which the payments were made.

Sec. 6.06(j)

SECTION 4 – ACCOUNTING PROCEDURES

4.01 **BANK DEPOSITORY**

4.01(a) **Designation of Bank Depository**

- (1) The Board of Directors shall designate a bank depository in accordance with the following:
- (2) The District depository must be a banking corporation incorporated under the laws of this State or the United States.
- (3) The 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.
- (4) To the extent that funds in the depository are not insured by the Federal Deposit Insurance Corporation, they shall be secured in the manner provided by law for the security of funds of counties.
- (5) Once designated, the depository shall serve for a two-year period and until a successor is designated and has qualified. The Board of Directors and depository may agree to extend a depository contract for one additional two-year period.

PTC Sec 6.09

4.01(b) **Depository Bidding Procedures**

- (1) The Board shall solicit bids for the District's bank depository every two years unless a depository contract is extended as provided by Section 4.01(a)(5).

PTC Sec. 6.09(c)

- (2) The notice of the solicitation of bids for the depository shall be published in the Orange Leader as provided by Section 4.02(c) of this manual.
- (3) The bids received shall be opened, read aloud, and tabulated in a public meeting.
- (4) The Board shall make its decision of the bank depository in a public meeting.

4.01(c) **Depository Bid Form**

The Board shall decide the form to be used in the solicitation of bids for bank depository.

See Exhibit F

4.02 PURCHASING POLICIES AND PROCEDURES

4.02(a) General

The Orange County Appraisal District (“OCAD or “District”), will operate under a centralized purchasing concept. The Deputy Chief Appraiser, under supervision of the Chief Appraiser, shall direct purchasing activities and is responsible for the acquisition and distribution of equipment, supplies, materials, and services. Purchases shall be made in accordance with these policies and applicable state law. Only the Chief Appraiser or Deputy Chief Appraiser are authorized to order or approve purchases of equipment, furniture, and supplies for the District.

4.02(b) Purchasing Limitations

- (1) **Purchases less than \$1,000.** Purchases of \$1,000 or less may be made with or without a telephone or written quote. Items with a value of \$500 or less and an aggregate value of \$1,000 or less may be authorized by the Bookkeeper.
- (2) **Purchases of \$1,001 to \$10,000.** Purchases of \$1,001 to \$10,000 must be authorized by the Chief Appraiser. Competitive bids or proposals may be solicited as deemed necessary by the Chief Appraiser.
- (3) **Purchases of \$10,001 to \$50,000.** Purchases of \$10,001 to \$50,000 require approval by the Board of Directors. OCAD will make good faith efforts to solicit at least three (3) written vendor quotes or proposals. For defined professional services, requests for qualifications may be solicited. Competitive bids or proposals may be solicited.
- (4) **Purchases exceeding \$50,000.** All purchases more than \$50,000 require approval by the Board of Directors. For defined professional services, requests for qualifications may be solicited. Good and/or services purchases exceeding \$50,000 are subject to competitive sealed bidding or competitive sealed proposals, with general exceptions as provided by §252.022 of the Texas Local Government Code.
- (5) **Capital Equipment.** Purchases of capital equipment shall be approved by the Chief Appraiser and if otherwise required by the Board of Directors.
- (6) **Professional Services.** Purchases of professional services shall be approved by the Chief Appraiser and if otherwise required by the Board of Directors. For defined professional services requests for qualifications may be solicited.

4.02(c) Competitive Bidding

Purchases made by OCAD with regards to competitive bidding or competitive proposals are governed by §6.11, Texas Property Tax Code and Chapters 252 and 271 of the Local Government Code.

4.02(d) **Bid Specifications**

- (1) Specifications must be carefully drawn so that each bidder can be on equal terms in responding to the bid and will be judged according to the same standards.
- (2) The plans and specifications must be so detailed that any responsible interested party is made fully aware of the object and performance of that which is to be delivered under the contract.

4.02(e) **Acceptance or Rejection**

- (1) The Board, if it awards a contract, must award the contract to the party with the best bid. The Board members must use their honest judgment in making a choice among the bidders. The Board may consider such factors as quality of the product, adaptability to the particular use required and the ability, capacity, experience, efficiency, and financial responsibility of the bidder.
- (2) After all bids have been reviewed; the Board is not obligated to accept a contract based on said bids. The Board retains the right to reject any or all bids although this right is not an unlimited discretion to reject bids; rejection of a low bid should be based on defensible criteria.

4.02(f) **Competitive Bidding in Relation to Historically Underutilized Business**

When making an expenditure of more than \$3,000 and up to \$50,000, the District shall contact at least two historically underutilized businesses on a rotating basis, based on information provided by the General Services Commission pursuant to Chapter 2161, Government Code. If the list fails to identify a historically underutilized business in Orange County, the Appraisal District is exempt from this requirement.

4.02(g) **Capital Purchases**

Purchases for capital equipment shall be approved by the Chief Appraiser.

- (1) **Budgetary Impact.** Capital items requested which are not budgeted will require approval by the Board of Directors.
- (2) **Inventory and Control.** The Bookkeeper, with oversight from the Deputy Chief Appraiser, shall establish a capital asset system to inventory and control capital assets.

4.02(h) **Receipt of Equipment, Supplies, Materials and Services**

The Chief Appraiser is responsible for equipment, supplies, materials, and services. Upon delivery, the Chief Appraiser, Deputy Chief Appraiser, or any Department Supervisor shall account for all purchases. All order forms, packing slips, etc. must be signed and dated upon receipt of the purchase. Payment shall be made only for items or services received except in instances where a deposit may be required.

4.03 AUDIT PROCEDURES

4.03(a) General

The Board of Directors shall solicit Requests for Proposals (RFPs) for auditing services from all accounting firms in the area at least once every four years. Once the Board retains an auditing firm, the contract for auditing services shall be awarded on an annual basis.

The report of the audit is a 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 District office.

PTC Sec. 6.063

4.04 CHECK SIGNING PROCEDURES

4.04(a) General

All checks of the Appraisal District shall have the signature of the Chief Appraiser and the counter signature of the Chair or Secretary of the Board of Directors. At least one of said signatures shall be handwritten.

4.05 CONTRACTS

4.05(a) Contract Beyond Current Year

The Texas Constitution prohibits political subdivisions from incurring debts or creating an enforceable contractual obligation that extends into future revenue years.

Where time payments create any potential for being paid from future budgets, the District must include a “funding out” clause in the contract, giving the District the right to terminate the agreement if revenues do not actually become available in the future.

4.05(b) Contracts Beyond Director’s Terms

The District cannot enter a contract which will extend beyond the term of the present Board when the subject matter of the contract concerns the exercise of governmental powers. Contracts involving incidental, proprietary issues are still valid even if they extend beyond the Director’s term.

A contract involving a governmental function can extend beyond the term of the present Board by including a ratification clause which would condition the continuance of the contract upon acceptance by a subsequent Board.

4.05(c) Definitions

Governmental functions are those functions directly related to carrying out the statutory responsibilities regarding ad valorem taxation, such as: employing a Chief Appraiser, establishing an operating budget, contracting for appraisal services, and designating a depository for District funds.

Proprietary functions are actions that are only incidental to the District's statutory duties, such as leasing space for the District's office, providing for the employees other than the Chief Appraiser, or choosing employee compensation and other benefits.

4.05(d) Conflicts Disclosure

An officer of the District shall file a conflict disclosure statement with respect to a person who enters into a contract with the District or with whom the District is considering entering into a contract and that person has an employment or other business relationship with the officer of the District or a family member of the officer that results in the officer or family member receiving taxable income other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that the contract has been executed or the District is considering entering into a contract with the person.

This disclosure statement is also required when a person has given a District officer or a family member of the officer one or more gifts that have an aggregate value of more than \$250.00 in the preceding 12-month period of the date the officer becomes aware that a contract, as described above, has been executed or the District is considering entering into a contract with the person.

The disclosure must be filed with the District within 7 business days after the date on which the officer becomes aware of the facts that require the filing. Failure to file the disclosure statement when warranted is a Class C Misdemeanor.

A person shall file a completed conflict of interest questionnaire if the person has a business relationship with a local governmental entity and has an employment or other business relationship with an officer of the District or a family member of that officer, or has given the officer or family member one or more gifts with an aggregate value of \$250.00 or more. The conflict of interest questionnaire must be filed with the District within 7 days of the beginning of discussions or negotiating to enter into a contract with the District or submits a bid or request for proposal or the date the person becomes aware of an employment or other business relationship with a District officer or has given one or more gifts as described above. A person commits a Class C Misdemeanor if they knowingly violate these policies.

District officers include the Board of Directors and the Chief Appraiser.

4.05(e) Review by Attorney

All contracts should be reviewed and approved by the district's attorney before being signed by the Board of Directors.

4.06 INVESTMENT POLICY AND PROCEDURES

4.06(a) Authority and Strategy

Pursuant to authority of TEXAS GOVERNMENT CODE ANN., Sec. 2256.001 *et seq.* (Vernon 1995), the Orange County Appraisal District is authorized to invest the District funds as provided therein.

All funds of the District that are invested are invested by matching the maturity of investments with liabilities. Investments are made with the intention of holding to maturity, but with the ability to liquidate should funds be needed at any time. This strategy is achieved by utilizing Depository Banks Money Market Accounts, Certificates of Deposit, and short-term Treasury Bills, all with a stated final maturity of one year or less.

4.06(b) Applicability

This investment policy applies to all financial assets of all funds of the District at the present time and any funds to be created in the future and any other funds held in custody by the District, unless it is in contravention of any depository contract between the District and any depository bank, and or expressly prohibited by law.

4.06(c) Investment Objectives and Priorities

(1) General Statement

This policy serves to satisfy the statutory requirements of the TEXAS GOVERNMENTAL CODE, ANN., Title 10, Section 2256.00, *et seq.*, The Public Funds Investment Act, as amended by House Bill 2459 (Sept 95), for all political subdivisions to define and adopt a formal investment policy.

(2) Objectives

The primary objective of the District is to ensure the safety of principal in all funds and to avoid speculative investing. The secondary objective of the District is to strive to maintain adequate liquidity, through scheduled maturity of investments, to cover the cash needs of the District consistent with the objectives of this policy.

(3) Desired Diversification

It will be the policy of the District to diversify its portfolio to eliminate the risk of loss resulting from over concentration of liquid assets with at specific maturity, a specific insurer or a specific class of investments. Investments of the Appraisal District shall always be selected that provide for stability of income and reasonable liquidity.

(4) Rate of Return on Investments

It will be the objective of the District to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives and state and federal law governing investment of public funds.

(5) Maturity

Portfolio maturities will be structured to achieve the highest return of interest consistent with liquidity requirements of the District.

4.06(d) Investment Responsibility and Control

(1) Investment Officer

The Investment Officer for the Orange County Appraisal District shall be the Chief Appraiser.

(2) Delegation of Investment Authority

The Board may contract with another investment entity to invest District funds. In such case, the Investment Officer of the other investment entity will be considered the District's Investment Officer.

§2256.005(f), Texas Gov Code

(3) Quality and Capability of Investment Officer

The District will provide periodic training in investments for the Investment Officer through courses and seminars offered by professional organizations and associations. The District's Investment Officer shall comply with Sec. 2256.008 of the Public Funds Investment Act.

(4) Periodic Review

The Board will annually review investment policies and procedures, investment strategies, and investment performance.

5) Prudence and Ethical Standards

The District implements the "prudent person rule" when managing the portfolios within the applicable legal and policy constraints. The prudent person rule is restated as follows:

"Investments must be made with the judgment and care, under prevailing circumstances, which persons of prudence, direction and intelligence would exercise in the management of their own affairs for Investment, not for speculation, considering the probable safety of their capital as well as the probable income to be derived."

The Investment Officer or investment adviser shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the Board of Directors of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

(6) Liability of Investment Officer

In accordance with Sec. 113.005, Texas Local Government Code, the Investment Officer is not responsible for any loss of the District funds through the failure or negligence of a depository. This section does not release the Investment Officer from responsibility for a loss resulting from the misappropriation of the funds, or from responsibility for funds until a depository is selected, and the funds are deposited.

(7) Accounting and Audit Control

The Investment Officer will establish liaison with the District auditor in order to assist the auditor with their accounting and auditing controls. It is the policy of the District, at a minimum, to have an annual audit of all District funds by an independent auditing firm. The

Investment Officer and the District's investment procedures shall be subject to the annual and any special audits as required.

4.06(e) Investment Reporting

In accordance with Texas Government Code, Title 10, Sec. 2256.023, the Investment Officer will report quarterly to the Board.

4.06(f) Depository Bank

Fully collateralized Time Deposits, Certificates of Deposit, Money Market accounts and Interest-Bearing Checking accounts shall be placed at the District Depository Bank under a depository contract executed by the Board and in compliance with V.C.T.A. Texas Local Government Code, Chapter 117.

4.06(g) Collateral and Safekeeping

(1) Collateral or Insurance

The District's Investment Officer shall ensure that all District funds are fully collateralized or insured consistent with federal and state law and the current Depository Contract in one or more of the following manners:

- (a) FDIC Insurance coverage,
- (b) United States Government Bonds, Notes, and Bills,
- (c) Securities of federally sponsored U.S. Agencies and instrumentalities of the United States Government,
- (d) NO COLLATERALIZED MORTGAGE OBLIGATIONS ARE ACCEPTABLE.

(2) Safekeeping

Securities pledged as collateral shall be deposited in trust with the Federal Reserve Bank or another disinterested third-party bank under an appropriate legal contract. The amount of such securities pledge shall be determined by their market value.

(3) Collateral Reporting

The Investment Officer shall report to the Board his or her evaluation of all collateral compared to all District deposits on a quarterly basis. Collateral deficiencies should be identified and immediately corrected through additional collateral deposited or reductions in the volume of deposited funds.

4.06(h) Investment Policy Review and Amendment

(1) Periodic Review

The Board will periodically review investment policies and procedures, investment strategies, and investment performance.

(2) Changes to the Investment Policy

The Board may make changes to the District's investment policy as needed.

4.07 MISCELLANEOUS

4.07(a) **Financial Statements**

Monthly financial statements shall be presented to the Board for their approval. The financial statements shall provide details on the expenditures in the legal, Board of Director expense, and Appraisal Review Board funds.

4.07(b) **Inventory**

An inventory of all fixed assets with an original cost of \$5,000 or more shall be maintained by the District.

4.07(c) **Petty Cash**

The District shall maintain a petty cash fund with a balance of \$100. The maximum reimbursement from this fund shall be \$25 per transaction. A requisition and/or the original receipt for expenditures made from this fund is required for reimbursement and shall be kept on file.

4.07(d) **Cash Fund**

In accordance with the Open Records Act, Chapter 552 of the Texas Government Code, the District must provide copies of documents, blueprints, computer information, etc. that is deemed public information to be provided upon request.

The District shall maintain a cash fund for the collection of monies received as charges for public information with a balance of \$100.00. Deposits from this fund shall be made monthly or whenever the balance of this fund exceeds \$150, whichever occurs first.

SECTION 5 – BUSINESS ADMINISTRATION

5.01 Payroll and Employee Benefits

5.01(a) Retirement Plan

See Personnel Manual

5.01(b) Social Security

The District shall not participate in the Social Security Plan.

5.01(c) Unemployment Taxes

The Appraisal District shall be taxed for unemployment compensation rather than be a reimbursing entity, provided that the District be taxed at a rate applicable to all State agencies.

5.01(d) Health and Life Insurance

See Personnel Manual

5.01(e) Continuation Coverage – COBRA

See Personnel Manual

5.01(f) Other Insurance

(1) Building Insurance

A multi-peril policy shall be maintained covering property damage and theft to the contents of the District office with the minimum amount of coverage being \$687,105. Bodily injury and property damage coverage shall also be maintained with a minimum coverage of \$1,000,000 for bodily injury and property damage each occurrence of a legal nature. Flood insurance is maintained in the amount of \$10,000,000

(2) Automobile Insurance

Automobile insurance shall be carried on the vehicles owned by the District. Coverage will be as follows:

\$100,000 per person Bodily Injury limits

\$300,000 per occurrence Bodily Injury limits

\$100,000 per occurrence property damage limits

Physical Damage – Actual cash value

(3) Public Officials and Employees Liability Insurance

A Public Officials and Employees Liability Insurance policy shall be maintained covering all employees of the District and Board of Directors.

Limits of liability shall be \$1,000,000 for each loss and aggregate for each policy year.

(4) Worker's Compensation and Disability Leave

See Personnel Manual

5.02 PERSONNEL

5.02(a) Non-Discrimination Policies

(1) Equal Opportunity

The Orange County Appraisal District is an equal opportunity employer.

Race, color, religion, national origin, sex, age, or disability shall not be factors in hiring, promotion, demotion, raises, termination, training, discipline, use of employee facilities or programs, or any other benefit, condition, or privilege of employment except where required by law or where a bona fide occupational qualification (BFOQ) exists.

(2) Reasonable Accommodation

The District shall make reasonable accommodation for otherwise qualified disabled individuals to afford them the same opportunities for employment and all other benefits and privileges of employment afforded to non-disabled individuals.

Reasonable accommodation shall be determined through consultation with the disabled individual and, where deemed necessary, through consultation with outside sources.

5.02(b) Hiring Practices

(1) Job Announcement

Announcements for job openings with the Orange County Appraisal District may include, but not be limited to, advertisements in local newspapers, registration with the Texas Work Force Commission, or postings on Appraisal District bulletin boards.

The Chief Appraiser shall be responsible for determining how all jobs will be announced.

(2) Procedure

Before an individual can be an applicant for employment with the Appraisal District, he/she shall be required to complete an OCAD Employment Application.

Copies of the OCAD Employment Application forms are available from the Chief Appraiser's office and may be picked up at any time during normal working hours.

(3) Selection

The Chief Appraiser shall be responsible for selecting the applicant whom he/she feels best meets the qualifications for an open position.

(4) Disqualification

Reasons for which an applicant shall be disqualified for consideration for employment shall include, but not be limited to, the following:

- (a) The applicant does not meet the minimum qualifications necessary to perform the duties of the position for which he/she is applying.
- (b) The applicant has made a false statement on the application form or any other document that may have a bearing on the selection process.
- (c) The applicant has committed or attempted to commit a fraudulent act at any stage of the application process.
- (d) The applicant is not legally permitted to hold the position.
- (e) The applicant will not submit to or does not pass a criminal background check, a drug screening (if required) or a physical exam.

5.02(c) Nepotism

In accordance with Chapter 573 of Texas Government Code and the policy of the Board of Directors of the Orange County Appraisal District is as follows:

- (1) In accordance with the Texas Nepotism Statutes, the Chief Appraiser of the Orange County Appraisal District shall not hire a relative related in the third degree of consanguinity (blood) or the second degree of affinity (marriage) to work in a department which he or she supervises.
- (2) Statutory requirements shall be used for determining degree of relationship.

See Exhibit A and B
- (3) A relative of the Chief Appraiser of the Orange County Appraisal District shall not be hired on a contract basis unless all reasonable efforts were made to get contract bids from other qualified individuals in the area, and the relationship created by the contract is not detrimental to the interests of the Appraisal District as in fact, determined by the Board of Directors.

5.03 APPRAISAL DISTRICT RECORDS

5.03(a) Open Records Law

All provisions of the Open Records Act (ORA), being Chapter 552 of the Government Code, shall be adhered to. Training as required by Sec. 552.012 will be provided to the chief appraiser, board of directors, and appraisal review board members. The chief appraiser may provide Open Records training to the employees on an as needed basis.

5.03(b) Officer for Public Information

- (1) The Chief Appraiser shall serve as the Officer for Public Information.

ORA Sec. 552.201
Sec. 552.202

- (2) For purposes of certifying copies of public records, only the Chief Appraiser and the Assistant Chief Appraiser have certification authority.

5.03(c) Public Information Defined

All records of the Appraisal District are public information in accordance with the Open Records Act, with the following exceptions:

- (1) Rendition statements and real and personal property reports filed with the District and information voluntarily disclosed to the District about real or personal sales prices after a promise it will be held confidential are confidential and not open to public inspection.

PTC Sec. 22.27(a)

- (2) Confidential information requested by an individual member, agency, or committee of the Legislature to be used for legislative purposes shall be released with the promise that it will not be disclosed outside of the requesting party, and it will be labeled as confidential and kept securely.

ORA Sec. 552.008

- (3) Information in a commercial book or publication purchased or acquired by the District for research purposes (if the book or publication is commercially available to the public) is not open for public inspection or copying, except for that information that has been incorporated into the rules or policies of the District.

ORA Sec. 552.027

5.03(d) Timeliness of Response to Open Records Request

- (1) The District shall promptly respond to all requests for public information. All readily available information shall either be reproduced or made available for inspection within 10 business days of the request. Records are open for inspection during the normal office hours of the District.
- (2) If the information is not readily available or entails a large amount of information and cannot be provided within 10 business days of the request, the Officer for Public Information shall notify the requesting party in writing of the delay and shall set a date and time within a reasonable period when the information will be provided.

ORA Sec. 552.221

5.03(e) Inspection Procedures

- (1) A party requesting to inspect public information must complete the examination of the information within 10 calendar days of the date the information is made available. Upon written request, an additional 10 days for examination of the information will be granted.
- (2) If the District requires the use of the requested information while it is being inspected, the period of interruption is not considered to be a part of the 10-day examination period.

ORA Sec. 552.225

- (3) A party requesting to inspect public information shall not be allowed to remove the original documents from the District office.

ORA Sec. 552.226

- (4) The District shall allow a requesting party to inspect public information in an electronic medium if the requested information is readily available in that format.

ORA Sec. 552.272

5.03(f) Public Information On Electronic or Magnetic Medium

If public information exists in an electronic or magnetic medium and it is requested in this format, the District shall provide a copy in the requested medium if:

- (1) The District has the technological ability to produce a copy in the requested medium.
- (2) The District is not required to purchase any software or hardware to accommodate the request; or
- (3) The terms of any copyright agreement between the District and a third party are not violated.

If the District is unable to furnish the requested information in a requested medium, it shall be provided on hard copy or other acceptable medium.

ORA Sec 552.228

5.03(g) Requests for Information Requiring Programming or Manipulation of Data

- (1) If a request for public information will require programming or manipulation of data or will result in substantial interference with the District's ongoing operations, the District must provide a written statement to the requesting party stating:
 - (a) That the information is not available in the requested form and a description of the form in which the information is available.
 - (b) A statement of the estimated costs of providing the information in the requested form based on the charges for public information outlined in this manual.
 - (c) A description of any contract or services that would be required to provide the information in the requested form.
 - (d) An estimate of the time necessary to put the information in the requested form.
- (2) The District shall provide the written statement to the requesting party within 20 days upon receipt of the request. An additional 10 days to provide the statement will be granted if the District gives written notice of the extension to the requesting party within the same 20-day period.
- (3) Upon providing the written statement, the District does not have any further obligation to provide the requested information until the requesting party states in writing either that it wants the information in

the requested form based on the estimated costs and time parameters or wants the information in the form in which it is readily available.

(4) All requests for public information requiring programming or manipulation of data shall be provided in an expeditious manner based on the workload of the MIS Department.

(5) A file of all such requests and the District's responses shall be maintained in the office of the Chief Appraiser.

ORA Sec. 552.231

5.03(h) Charges for Public Information

Appropriate fees shall be charged to all individuals for copies of Appraisal District records and information with certain exceptions as outlined.

See Exhibit I

5.03(i) Payment Procedures

(1) Copies of requested public information will be provided to the requesting party after receipt of payment for all charges.

(2) The District may require a deposit or bond for payment of anticipated costs for the preparation of copies of public information if the charges are to exceed \$100.

ORA Sec. 552.263

5.04 MISCELLANEOUS

5.04(a) Open Carry or Concealed Carry of Firearms Policy

It is the policy of the Board of Directors to enforce the ban on open carry and concealed carry of firearms into the boardroom during the periods of time where there are meetings conducted in accordance with the Open Meeting Act. These meetings include but are not limited to: Meetings of the Appraisal District Board of Directors, Meetings and Hearings conducted by the Appraisal Review Board, Meetings conducted at the call of the Chief Appraiser of the Agricultural Advisory Board. Meeting agendas must be posted at the entrances to the boardroom and conform to the Open Meetings Act for posting requirements. Conspicuous signs conforming to Section 30.06 and 30.07 of the Penal Code will be posted at the entrance to the appraisal district facility during the time a posted meeting is conducted. Signs will be removed immediately following the adjournment of a posted meeting. If a person is observed carrying a firearm into the boardroom during a meeting that has been posted as an open meeting and the signs (30.06 & 30.07) will be asked to take the firearm out of the boardroom. If the possessor fails to depart, law enforcement will be summoned. The foregoing policy does not apply to law enforcement and peace officers of the United States, state of Texas, or any political subdivision of the state of Texas, including officers of county and municipal law enforcement agencies.

5.04(b) Smoking Policy

(1) Smoking is prohibited in the Appraisal District building and the Appraisal District automobiles.

- (2) “No Smoking” signs will be posted at the entrance to the Appraisal District building.
- (3) A designated smoking area is available in the rear of the building.
- (4) Employees who violate this policy may be disciplined up to and including discharge.

5.04(c) Disaster Evacuation

The Chief Appraiser:

- (1) is responsible for using good judgment in deciding to evacuate the District employees in time of disaster or emergency. In general, this should not take place unless a mandatory evacuation has been called for by the proper county authorities.
- (2) will notify the Chair of the Board of Directors as to a decision to evacuate. Other members of the Board will be notified if possible.
- (3) will maintain a current listing of emergency phone or contact numbers for all board members and employees.
- (4) will use due diligence to secure the building, automobiles, computer system and records in times of emergency.
- (5) will develop and distribute to all employees, written evacuation, and emergency procedures.
- (6) will allow an employee leave with pay when the employee is unable to get to the office due to emergency situations outside their control.

5.04(d) Property Taxes

All employees, service providers and contractors of the Orange County Appraisal District are required to maintain a “current” status on any property taxes for entities situated within Orange County. “Current” means that no property taxes have been owed to a taxing unit for more than 60 days from the due date or that any delinquent taxes, penalties and interest are being paid under an installment agreement. “Current” also includes delinquent taxes that have been deferred or abated pre the Property Tax Code.

SECTION 6 TAXPAYER COMPLAINTS AND PUBLIC ACCESS POLICIES

6.01 TAXPAYER COMPLAINTS

6.01(a) Resolving Complaints to the Board of Directors

- (1) The Board of Directors will consider written complaints about the policies and procedures of the District, the Appraisal Review Board, the Board of Directors and any other matter within its jurisdiction. If the complaining party has impairment and cannot present his or her complaint in writing, the complaint can be recorded. The complaining party may also request to be placed on the agenda and present the written complaint in person to the Board.
- (2) The complaint must adequately describe the situation, the person or persons involved and the action the complaining party would like the Board to consider.
- (3) Complaints should be mailed to:

Chair, Board of Directors
Orange County Appraisal District
P.O. Box 457
Orange, Texas 77631-0457
- (4) A committee composed of the Chair or the Chair's designee and the Board's attorney will:
 - (a) Acknowledge the complaint in writing;
 - (b) Review the written complaint;
 - (c) Investigate the facts;
 - (d) Research available remedies; and
 - (e) Present the complaint and recommendations to the Board.
- (5) The Board may outline other steps and/or take other actions as needed. Board deliberations concerning complaints will comply with provisions of the Texas Open Meeting Act, Chapter 551, Government Code.
- (6) Until the final disposition, the Board is to notify the complaining party at least quarterly on the status of his or her complaint if the written or recorded complaint is one that the Board has authority to resolve and unless such notice would jeopardize an investigation.
- (7) The Board will **not** consider complaints addressing any grounds for a challenge or protest before the Appraisal Review Board as set out in the Property Tax Code. The Board of Directors has no authority to overrule the Chief Appraiser or the Appraisal Review Board's decision on a value, a determination on an exemption or special use valuation, a correction, or a protest.

6.02 PUBLIC ACCESS

6.02(a) Assistance to Non-English Speaking or Deaf Persons

For persons that use sign language or do not speak English that wish to address the Board of Directors and are unable to provide an interpreter, the following procedures shall be followed:

1) The individual shall notify the Chief Appraiser that they wish to address the Board.

2) Notice shall be addressed to:

Chief Appraiser
Orange County Appraisal District
P.O. Box 457
Orange, Texas 77631-0457

3) Notice shall be in writing and delivered at least three (3) business days prior to the Board meeting.

4) The Chief Appraiser shall arrange for an interpreter to be at the meeting.

5) A directory of interpreters can be obtained from the following:

Southeast Council for the Hearing Impaired
470 Orleans
P.O. Box 1748
Beaumont, Texas 77704-1748
(409) 833-6679 or;

Texas Commission for the Deaf
510 S. Congress, Room 300
Austin, Texas 78704
(512) 469-9891

6.02(b) Assistance to Physically Disabled Persons

Physically disabled persons that wish to address the Board and need assistance to enter the building shall comply with the following procedures:

(1) The individual shall notify the Chief Appraiser that they wish to address the Board of Directors.

(2) Notice shall be addressed to:

Chief Appraiser
Orange County Appraisal District
P.O. Box 457
Orange, Texas 77631-0457
(409) 745-4777

(3) Notice shall be in writing and delivered at least three (3) business days prior to the Board meeting.

(4) The Chief Appraiser shall arrange for the disabled person to be assisted into the building.

SECTION 7 – APPRAISAL REVIEW BOARD

7.01 GENERAL

7.01(a) Number of Members

The Appraisal Review Board of the Orange County Appraisal District shall consist of five (5) members plus one (1) alternative member.

7.01(b) Terms of Office

- (1) Members of the Board hold office for terms of two years beginning January 1. Members' terms shall be staggered to ensure continuity on the Board.

PTC Sec. 6.41(e)

7.01(c) Qualification of Members

- (1) Members of the Appraisal Review Board should be impartial and be able to listen to all the facts and documentation presented by both the property owner and the Appraisal District, and they should be able to make a fair decision based on the evidence presented and not on their ideologies or personal feelings toward any party involved.
- (2) Members of the Appraisal Review Board should not give the perception of representing any taxing entity in the District, the Appraisal District, any property owner, or any special interest group. Members of the Appraisal Review Board should be impartial and unbiased.
- (3) Members of the Appraisal Review Board must complete the course as outlined under Section 5.041 of the Property Tax Code and receive a certificate of completion prior to participating in a protest hearing. If a member of the Appraisal Review Board is appointed after a course offering, that member may continue to serve providing that member completes the subsequent course offering. A member of the Appraisal Review Board may not participate in a hearing conducted by the board unless the person has completed the course and received a certificate of course completion.

PTC Sec. 5.041

In addition to the course described above, the Comptroller will provide for continuing education for members of the Appraisal Review Board. As soon as practicable after the beginning of the second year of an Appraisal Review Board member's term of office, the member must successfully complete the course. A person who fails to timely complete the course may not be reappointed to an additional term on the Appraisal Review Board.

If a person is reappointed to an additional term on the Appraisal Review Board, the person must successfully complete the course in each year the member continues to serve.

- (4) Members of the Appraisal Review Board should avail themselves to all other educational opportunities provided by the District, the Property

Tax Division of the State Comptroller's Office, the Texas Association of Appraisal Districts, or other property tax related organizations.

7.01(d) Eligibility

- (1) To be eligible to serve on the Board, an individual must be a resident of the District and must have resided in the District for at least two years.

PTC Sec. 6.41(c)

- (2) A current or former officer, employee, or member of the governing body of the Appraisal District; a current officer, employee, or member of the governing body of any taxing unit for which the District appraises property; or an officer or employee of the State Comptroller's Office is ineligible to serve on the Board.

PTC Sec. 6.412(c)

- (2) A former member of the governing body or officer of a taxing unit for which the District appraises property is ineligible to serve until the fourth anniversary of the date the person ceased to be a member or officer.

PTC Sec. 6.412(d)(1)(2)

- (3) An individual is ineligible to serve on the Appraisal Review Board 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 protest hearings or of representing taxpayers for compensation in Orange County.

See Exhibits A and B

PTC Sec 6.412(a)

- (4) An individual is ineligible to serve on the Appraisal Review Board if the person has ever appeared before the Appraisal Review Board for compensation during the two-year period preceding the date the person is appointed.

PTC Sec. 6.412(d)(3)

- (5) An individual is not eligible to be appointed to or to serve on the Appraisal Review Board if the individual or a business entity in which the individual has a substantial interest is a party to a contract with the District or with a taxing unit that participates in the District. Substantial interest shall be defined as the combined ownership of the individual and the individual's spouse of at least 10 percent of the voting stock or shares of the business entity or the individual or the individual's spouse is a partner, limited partner, or officer of the business entity.

PTC Sec. 6.413(a)(d)

7.01(e) Method of Selection

- (1) The Board of Directors shall nominate persons to fill the expired terms of the Appraisal Review Board members. The Board of Directors shall nominate person to fill the expired terms of the ARB members. Nominations will be made from persons who have applied for any open positions. Strong consideration should be given to applicants

with real estate sales or appraisal background, legal experience, or construction experience. The District maintains an application for potential appraisal review board members which requests work and experience background information. A criminal background check will be performed on all applicants being considered for the ARB. All appointments to the Appraisal Review Board require the approval of the Board of Directors in the form of a resolution.

- (2) It is the desire of the Board of Directors for the Appraisal Review Board members to represent the different geographic areas of the county.
- (3) Since the terms of the Appraisal Review Board members begin on January 1, all appointments to fill the expired terms must be made prior to that date.

7.01(f) Vacancies

Should a vacancy occur on the Appraisal Review Board, with the exception of a vacancy due to the expiration of a term, it will be filled by nomination of a new member and requires a resolution of the Board of Directors.

PTC Sec. 6.41(d)

7.01(g) Change in Board Size

By resolution of a majority of the members, the Board of Directors may increase the size of the Appraisal Review Board to any number the Board considers appropriate.

PTC Sec. 6.41(b)(1)

7.01(h) Compensation

- (1) Appraisal Review Board members shall be paid \$100 for each full day of service rendered while serving on the Board. Members will receive \$50 for any partial days.
- (2) Appraisal Review Board members shall not be remunerated for incidental time spent, such as travel and telephone time.

7.01(i) Expenses

Members of the Appraisal Review Board are entitled to reimbursement for actual and necessary expenses incurred in the performance of Board functions as provided by the District budget.

PTC Sec. 6.42(c)

7.01(j) Out-of-District Travel

All overnight travel of the Appraisal Review Board members must be pre-approved by the Board of Directors and must be within the limits of the budget. Should the need for travel arise prior to the next scheduled Board meeting, the Chief Appraiser shall obtain approval for the travel from a majority of the Board members with the action to be ratified at the next scheduled Board meeting.

7.01(k) **Removal from Office**

A member of the Appraisal Review Board may be removed by a majority vote of the Board of Directors if that member becomes ineligible to serve as outlined in Section 6.412 of the Property Tax Code, if a conflict of interest as outlined in Section 6.413 of the Property Tax Code occurs, or for a violation of the Attendance Policy as outlined in Section 7.02(b) of this manual.

PTC Sec. 6.41(f)

7.01(l) **Duties of Office**

The Appraisal Review Board shall:

- (1) determine protests initiated by property owners;
- (2) determine challenges initiated by taxing units;
- (3) correct clerical errors in the appraisal records and the appraisal rolls;
- (4) act on motions to correct appraisal rolls under PTC Section 25.25;
- (5) determine whether an exemption or a partial exemption is improperly granted and whether land is improperly granted special appraisal as provided by PTC Chapter 23, Subchapter C, D, or E; and
- (6) take any other action or make any other determination specifically authorized or required by the Property Tax Code.

The Appraisal Review Board may not review or reject an agreement between a property owner or the owner's agent and the Chief Appraiser under PTC Section 1.111(e).

PTC Sec. 41.01

7.02 **ORGANIZATION AND MEETINGS**

7.02(a) **Election of Officers**

The local administrative judge under Subsection D, Chapter 74, Governmental Code, in the county in which the appraisal district is established shall select a chairman and a secretary from among the members of the appraisal review board. The judge is encourage to select as chairman a member of the appraisal review board, if any, who has a background in law and property appraisal.

PTC Sec. 6.42(a)

7.02(b) **Oath of Office and Statement of Officer**

Members of the Appraisal Review Board shall subscribe to the Oath of Office and Statement of Officer as outlined in Section 1.04 of this manual.

7.02(c) **Meetings of the Board**

- (1) The Appraisal Review Board may meet at any time at the call of the Chair or as provided by rule of the Board. The Board shall meet to examine the appraisal records within ten days after the date the Chief Appraiser submits the records to the Board.

PTC Sec. 6.42(b)

- (2) All meetings of the Appraisal Review Board must meet the requirements of the Open Meetings Act.

7.02(d) **Attendance Policy**

- (1) Each member of the Appraisal Review Board shall be available during their term of office for meetings and protest hearings as scheduled by the Appraisal District and shall have an unexcused absence from no more than all or part of 4 of the last 10 meetings or protest hearings for which the member's attendance is required. Excused absences include serious illness of the member or their immediate family, death in the family or attendance at a funeral, jury duty, or any other extenuating circumstance as allowed by the Chair of the Appraisal Review Board.
- (2) Prior to the protest period, each member of the Appraisal Review Board is to notify the Appraisal District of any scheduling conflicts.
- (3) If a member of the Appraisal Review Board is unable to attend a meeting or scheduled protest hearing, that member must contact the District as soon as possible before said hearing or meeting.
- (4) Each member of the Appraisal Review Board shall punctually attend all meetings for which that member's attendance is required.
- (5) If a member of the Appraisal Review Board fails to meet the requirements of the attendance policy, the matter is brought to the attention of the full Board. By majority vote, the Board may recommend to the Board of Directors that the member be removed from office.

7.03 MISCELLANEOUS

7.03(a) **Board Rules**

- (1) The Appraisal Review Board shall adopt its own set of protest and challenge hearings procedures and shall review them annually.
- (2) Included in these rules shall be a provision for evening or weekend and protest hearings.

PTC Sec. 41.71

7.03(b) **Personnel**

- (1) The Appraisal Review Board may employ legal counsel as provided by the District budget, or the Board may use the services of the County Attorney.
- (2) The Appraisal Review Board may use the staff of the Appraisal District for clerical assistance.

PTC Sec. 6.43

7.03(c) **Conflict of Interest**

The rules of Conflict of Interest as they apply to the Board of Directors in Section 1.01(a)(7) of this manual shall also apply to members of the Appraisal Review Board.

7.03(d) **Recusal Procedures**

- (1) If an Appraisal Review Board member is unable to sign the Affidavit for Protest Hearing because he has communicated with another person concerning a property that is the subject of a protest hearing, that member must recuse himself from the proceeding and may not hear, deliberate on, or vote on the determination of the protest.
- (2) If the Recusal of an Appraisal Review Board member causes the absence of a quorum on any protest hearing, then that hearing must be postponed until a quorum can be attained. The property owner must be given sufficient notice of the new hearing date and time.
- (3) If a majority of the members have communicated with anyone concerning the protest, and a quorum cannot be present, the hearing must be postponed to allow temporary members to be appointed by the Board of Directors for the limited purpose of hearing that particular case.
- (4) The Board of Directors will appoint temporary members using the same procedures for vacancies as outlined in Section 7.01(e) of this manual.