

Working Policies of the Panola County Appraisal District

The Panola County Appraisal District is a political subdivision of the State of Texas created pursuant to Subchapter "A" of the Property Tax Code. The appraisal roll is for use by the taxing entities.

The appraisal district's boundaries are for the most part the same of the Panola County boundaries.

The cost of appraisal district operations is shared by the various taxing entities participating in the district. Each entity's allocation is based on its tax levy relative to the total levy of all the participating taxing entities. Payments are 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. Late payments are assessed penalty and interest.

Policy Statement on Equal Employment Opportunity

It is the policy of the district to recruit, employ and provide compensation, promotion and other conditions of employment without regard to race, color, religion, sex, age or national origin. It is the policy of the district to provide productive employment opportunities for the handicapped by placing such individuals in positions where their abilities can be effectively utilized. The district affirms that employment decision shall be made only on the basis of bona fide occupational qualifications. The district shall continually review its employment practices and personnel procedures and take positive steps to assure that equality of employment opportunity at Panola County Appraisal District is fact as well as an ideal.

Policy Statement on Sexual Harassment

Purpose

The purpose of this policy is to inform all employees that sexual harassment in the work place is strictly prohibited.

Definition

Sexual harassment is defined by Equal Employment Opportunity Commission guidelines as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature if:

- 1 – submission to this conduct is an explicit or implicit term or condition of an applicant's employment;
- 2 – submission to or rejection of this conduct is a basis for offering career opportunities to an employee; or
- 3 – the conduct has the purpose or effect of substantially interfering with an employee's work performance or creating an intimidating, hostile or offensive work environment.

Responsibilities

Prevention is the most effective tool for eliminating sexual harassment. The chief appraiser should ensure that all employees are informed of this policy and institute immediate and appropriate corrective action if such prohibited conduct is exhibited.

Board of Directors

The Panola County Appraisal District is governed by a board of five (5) directors. Five directors are elected by the taxing units that participate in the district as provided by Section 6.03 of the Property Tax Code. If the county assessor-collector is not appointed to the board, the county assessor-collector serves as a nonvoting director. 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).

Eligibility

To be eligible to serve on the board of directors, an individual other than a county assessor-collector serving as a nonvoting director must be a resident of the district and must have resided in the district for at least two (2) years immediately preceding the date he/she take office. 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. 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. (Section 6.03(a) Texas Property Tax Code.)

A board member is prohibited from serving on the board of directors if the member is related to a person who is in the business of appraising property or represents property owners for a fee in proceedings in the appraisal district. Relatives barred are those within the second degree by consanguinity (blood) or affinity (marriage). The persons include spouse, children, brothers and sister, parents, grandparents, grandchildren, aunts and uncles, and brothers-in-law and sisters-in-law. The spouse's relatives in the same degree are included.

A person is ineligible to serve on the board of directors if the individual, or a business in which the individual has a substantial interest, enters into a contract with the appraisal district or a taxing unit in the district if the contract activity is governed by the Code. Substantial interest is defined as the person and person's spouse having a combined ownership of at least 10% (ten percent) of the voting stock or shares of a business or the person or person's spouse is a partner, limited partner or an officer of a business. An appraisal district is barred from contracting with a board member of a business entity in which a board member has a substantial interest. A taxing unit is prohibited from making a tax related contract with a member of the board of directors or a business entity in which the member has a substantial interest.

Term

Members of the board serve two-year terms beginning January 1 of even numbered years.

Selection

Board members are elected as directed by Section 6.03 of the Texas Property Tax Code.

Vacancies on the Board

Vacancies on the board shall be filled as outlined in Section 6.03(l) of the Texas Property Tax Code.

Recall of Directors

The governing board of a taxing unit who participates in the appointment of an individual to the board may initiate the recall of its representative. The recall procedure is stated in Section 6.033 of the Texas Property Tax Code.

Officers of the Board

The officers of the board shall consist on a chairperson and secretary who shall be elected by majority vote at the regular January meeting of each year. In the event of a vacancy of office, the office is filled at the first regular meeting following the vacancy.

The duties of the chairperson shall include:

- 1 – presiding at board meetings;
- 2 – appointing committee members unless otherwise instructed by the board;
- 3 – along with the secretary, signing all legal instruments requiring board signatures; and
- 4 – performing legal duties as required by statute and functions as designated by the board.

The chairperson may vote on any matter coming before the board except as prohibited by statute.

The duties of the secretary shall include:

- 1 – presiding at meeting in the absence of the chairperson;
- 2 – along with the chairperson, signing all legal instruments requiring board signature; and
- 3 – performing duties as required by statute and functions as designated by the board.

If both the chairperson and secretary are absent from a meeting, the remaining members shall select a presiding officer by majority vote.

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.

Meetings

All meetings of the board shall be held in the boardroom of the District's office located at 1736 Ballpark Drive, Carthage, Texas unless a different location is designated by board action and in the notice of meeting. Meetings shall start promptly at the appointed hour or as soon thereafter as a quorum is present.

The regular board meeting of the board shall normally be held the third Thursday of each month as needed. Special meetings or emergency meetings may be called by the chairperson or by a majority of members.

Notice of meeting shall be posted as required by law in accordance with the Open Meetings Act. No business shall be transacted at the meeting except that for which the meeting is called.

Minutes shall be taken by the board at all meetings and maintained as a permanent record of the Appraisal District.

Policies of Public Access to an Appraisal Districts' Board of Directors (H.B. 482 as enacted by the 71st Legislature

The Panola County Appraisal District's Board of Directors are required to allow time for public comment at its meetings and to adopt a written plan describing how disabled and non-English speaking persons can have access to the board.

1 – If a person wishes to speak to the board of directors during a regular meeting, and that person does not speak English, they should deliver their request to the chief appraiser not later than twenty days (20) prior to the scheduled board of directors meeting. The chief appraiser shall confer with the members of the board and arrange to have an interpreter at the next regular scheduled meeting of the Panola County Appraisal District's Board of Directors meeting.

2 – 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 policies and procedures of the appraisal district and the appraisal review board on any issue under the board's jurisdiction. At each regular scheduled meeting the chairperson of the board shall announce that each person wishing to address the board on such policies, procedures or issues may have three minutes (3) to do so under public comment. The board may vote to expand any person's time for speaking. The board reserves the right to reduce the time limit for speaking as may be reasonably necessary to allow 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 issues under the board's jurisdiction.

Policies for Resolving Complaints

The board of directors is required to have procedures for resolving written complaints that may be filed with it. This does not mean that the board of directors will be competing with the appraisal review board.

Written copies of procedures for filing, hearing and resolving miscellaneous complaints should be made available to the public.

A – The board will consider complaints about itself, the appraisal district, the appraisal review board or any of the following, if the action, which is the subject of the complaints, was taken in such person's official capacity:

- 1 – a member of the board of directors;
- 2 – a member of the appraisal review board;
- 3 – the chief appraiser;
- 4 – any employee of the district; and/or
- 5 – any private person or firm, who by contract, performs governmental functions for the district.

B – A complaint may be filed with the board by any of the following persons or entities;

- 1 – an owner of designated agent of taxable property in the appraisal district;
- 2 – a taxing unit for which the appraisal district appraises property;
- 3 – the appraisal review board of any member thereof;
- 4 – the chief appraiser; or
- 5 – any employee of the appraisal district (See Employee Handbook Section 6.4.2)

C – A complaint may be addressed to any matter within the jurisdiction of the board of directors or any other matter involving the appraisal district or the appraisal review board, except that a complaint may not be addressed to any of the grounds for protests before the appraisal review board as set out in Section 41.41 (1-9) and 41.411 of the Property Tax Code.

D – A complaint must be filed in writing at least ten days (10) prior to the next regular directors meeting and addressed to the chairperson to the board of directors of the Panola County Appraisal District, 1736 Ballpark Drive, Carthage TX 75633.

E – The chairperson of the board may direct the chief appraiser to investigate and report on the status of all pending complaints at each regular meeting. A pending complaint involving the chief appraiser may be reported to the secretary of the board of directors. The board shall take actions it may deem reasonable and appropriate to resolve a complaint. The board shall take action to resolve a complaint received since its last meeting or assign the complaint to a member of the board, the chief appraiser or a district staff member for investigation.

F – No employee or official at the appraisal district or appraisal review board shall be sanctioned or disciplined in any manner by the board in response to a complaint without being given the opportunity to be heard by the board at one of its meetings. The board may also allow the complaining party to appear before it.

G – The board's deliberations at its meetings with respect to complaints shall occur in open sessions or executive session as authorized by the Texas Open Meeting Act Article 6252-17 Tex. Rev. Civ. Stat.

Authority of the Board

The board of directors shall establish general policies in keeping with the wish of the community and the requirements of state law. Members of the board of directors shall exercise the authority of office only when acting as a board legally in session. The board shall not be bound by any statement or action on the part of any individual member.

The board may establish committees as needed to carry out its responsibilities. Majority vote of members present will be required to establish a committee. The chairperson shall appoint committee members.

The statutory responsibilities of the board of directors include:

1 – Establishment of an appraisal office (Section 6.05). The administrative office of the district shall be located at 1736 Ballpark Drive, Carthage TX 75633. The board may authorize branch offices as necessary to perform its duties and serve the public. The board shall approve all contracts for office space. Office hours for the district shall be 8:00 am to 5:00 pm, Monday through Friday, unless the day is designated a holiday schedule.

2 – Appointment of chief appraiser (Section 6.05). The board shall appoint a chief appraiser, who will serve at the pleasure of the board. The board shall provide for an annual performance evaluation of the chief appraiser once every twelve months.

3 – The board requires the development of policies for the sound financial management of the district funds. The board shall establish and periodically review a fund reserve for contingency in the amount approved by the board after completion of the annual audit.

4 – Approval of the budget (Section 6.06). The board shall consider and adopt an annual budget by September 15 of each year. The budget may not be adopted until written notice is given to the taxing units and the public and the board has conducted a public hearing on the proposed budget. Each year, budget guidelines will be reviewed and approved by the board of directors and given to the chief appraiser. Such guidelines may include:

- A – merit raise (if any);
- B – general salary increases or decreases (if any);
- C – salary for the chief appraiser and other administrators;
- D – increases or decreases of the budget total from prior years;
- E – specific line item increases or decreases from prior years; and/or
- F – any other instruction as deemed necessary for preparing a realistic budget in a timely and efficient manner.

The chief appraiser shall prepare a preliminary budget and schedule a public workshop session for the board of directors before June 15. This preliminary budget will be sent to all taxing units asking for their input and/or suggestions for changes. Based on changes to the preliminary budget as approved by the board of directors, the chief appraiser shall prepare the budget and present it for final approval as required by statute.

5 – Annual financial audit (Section 6.063). At least once a 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. The report of the audit is a public record. A copy of the report shall be delivered to the presiding officers of the county, cities, schools, and taxing entities participating in the district.

6 – Designation of depository (Section 6.09). The board shall solicit bids for the district depository at least once every two years (2) and shall designate the institution(s) that offer the most favorable terms and conditions for handling of district funds. Funds must be secured in the manner provided by law for county funds.

7 – Competitive bidding requirements (Section 6.11). The board shall solicit bids for any expenditures of more than \$15,000 and is subject to the requirements and powers included in the Certificate of Obligation Act of 1971 (Subchapter C, Chapter 271, Local Government Code).

8 – Appointment of Agricultural Advisory Board (Section 6.12). The board shall appoint an agricultural advisory board to advise the chief appraiser on the valuation and use of agricultural and timberland. The advisory board must consist of three or more members, as determined by the board of directors. One member must represent the county agricultural stabilization and conservation service. The other members must own agricultural or timberland which received productivity valuations under Article VII, Section 1-d or 1-d-1 of the Texas Constitution, and they must have resided in the appraisal district for at least five years (5). Appraisal district officers and employees are ineligible to serve. The advisory board is required to meet at least three (3) times a year. Members will serve two-year, staggered terms and may not be compensated.

9 – Appointment of appraisal review board (Subchapter C of Chapter 6 Local Administration, Texas Property Tax Code). In accordance with Section 6.41 of the Property Tax Code, the Panola County Appraisal Review Board may consist of three to nine members. The Board of Directors will by resolution determine the number of members to serve in each forthcoming year. The appraisal review board (ARB) members shall serve two-year staggered terms. Beginning January 1, approximately half the members' terms will expire each year. After an ARB member completes a third term, the ARB member must sit out one full term before being eligible to serve again (Section 6.41(c)). The board, in selection process, will strive for racial balance, representation for all areas of the county, representation of major taxing units and any others facts that will make the appraisal review board a body representative of all areas and population of the county. The board of directors shall interview candidates each year prior to the selection of members of the ARB. On re-appointments, consideration will be given to evaluations given by taxpayers, the appraisal staff and other interested parties. Selection of members will be based solely on qualifications and the judgment of the board of directors that the persons selected will make good ARB members. A vacancy on the ARB is filled in the same manner for the un-expired portion of the term (Section 6.41(d)).

10 – Appraisal contract (Section 25.01 (b) (c)). The chief appraiser with the approval of the board of directors of the district may contract with a private appraisal firm to perform appraisal services for the district, subject to his/her approval.

11 – Periodic reappraisal (Section 25.18). The board provides the appraised value of all real property shall be reviews and the appraised values updated at least once every three years (3).

In addition to performing specific statutory duties, the board shall:

- A – provide the establishment of an employee benefits committee composed of board and staff members to review and evaluate employee benefits and to administer the district's savings plan;
- B – require and evaluate reports of the chief appraiser concerning the operations and financial status of the appraisal district;
- C – require the development and adoption of district policies for the sound financial management of district funds;
- D – assist in presenting to the public the needs and progress of the appraisal district;
- E – consider and act on policies for the appraisal district. The chief appraiser, members of the board or the general public may initiate such policies. Any policy change proposed by the general public shall be submitted to the chief appraiser for his/her consideration and recommendations;
- F – select district legal counsel and authorize compensation from the appraisal district budget;
- G – consider approval of all contracts as required by law;
- H – perform duties as required to govern the district as permitted by law, and/or
- I – introduce any and all policy changes at one meeting, known as "first reading", without action, and reintroduce the item at a subsequent meeting, know as "second reading", at which time action will be taken.

District Administration

The chief appraiser is the chief administrator of the appraisal office. Appointed by the board of directors, the chief appraiser serves at the pleasure of the board and is directly accountable to the board in the discharge of duties and responsibilities. All other personnel of the appraisal district are employed by and accountable to the chief appraiser. The chief appraiser may delegate authority to his/her employees.

Duties and Responsibilities

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. The chief appraiser shall:

- 1 – establish a comprehensive program for conduct of all appraisal activities and keep the board informed on the process of appraisal activities;
- 2 – develop and implement sound administrative procedures for conduct of all district functions;
- 3 – develop and implement an effective financial management system and provide reports to the board to allow evaluation of the district's fiscal affairs;
- 4 – develop and implement an effective internal budget development system and prepare a proposed budget by June 15 of each year;
- 5 – serve as the district's spokesperson in providing information to news media, taxing units and the general public on the operations of the appraisal district and provisions of the tax laws;
- 6 – prepare the agenda for each board meeting, attend all meetings and provide staff recommendations for all appropriate board actions;
- 7 – in conjunction with district counsel, provide recommendations for board action on litigation;
- 8 – employ and compensate professional, clerical and other personnel as provided by the budget;
- 9 – report to the board prior to April 1 of each year concerning the accuracy of district appraisals and contractor performances;
- 10 – be entitled to appeal an order of the appraisal review board determining a taxpayer protest as provided by Subchapter C, Chapter 41 of the Texas Property Tax Code (Section 42.02); and/or
- 11 – with the approval of the board of directors of the district, may contract with a private appraisal firm to perform appraisal services for the district, subject to his approval.

Appraisal Review Board

The Appraisal Review Board (ARB) is responsible for the local administrative review of appraisal records.

Membership and Replacement of ARB Members – Section 6.41 Texas Property Tax Code

- 1 – the ARB is established for each appraisal district.
- 2 – the board consists of three (3) members. However, the district's board of directors by resolution of a majority of its members may increase the size of the ARB to the number of members the Board of Directors consider appropriate.
- 3 – 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 (2) years. A member of the appraisal district board of directors or an officer or employee of the Comptroller's office, the appraisal office, or a taxing unit is ineligible to serve on the board. An individual who has

served for all or part of three (3) consecutive terms on the appraisal review board is ineligible to serve on the appraisal review board during a term that begins on the next January 1 following the third of those consecutive terms.

4 – Members of the board are appointed by resolution of a majority of the appraisal district board of directors. A vacancy on the board is filled in the same manner for the un-expired portion of the term.

5 – Members of the board hold office for terms of two (2) years beginning January 1. The appraisal district board of directors by resolution shall provide for staggered terms, so that the terms of as close to one-half (1/2) of the members as possible expire each year. In making the initial appointment, the board of directors shall designate those members who serve terms on one (1) year.

6 – Once the ARB members have been appointed, they must take the prescribed oath of office before acting in an official capacity. The oath is the same as is required for all other appointed officials in the State of Texas and must be taken before a notary public, county clerk, judge, or other official authorized to administer oaths of office.

Selection Process for ARB Members

1 – The chief appraiser shall request from all taxing entities their district’s nominations to the appraisal review board. These names are to be submitted to the chief appraiser by October 15th.

2 – The chief appraiser shall contact each of the nominees as to their qualifications and willingness to serve.

3 – A list of qualified and willing candidates are to be presented to the board of directors of the appraisal district at the regular scheduled board meeting in November. The directors may add names of other qualified and willing candidates to the list.

4 – The board of directors shall appoint members to the appraisal review board from the qualified list of candidates at the regular scheduled board meeting in December or as soon after this date as possible.

5 – A vacancy on the board is filled in the same manner (except for dates) for the un-expired portion of the term.

6 – In accordance with Section 41.66 of the Texas Property Tax Code, the board of directors shall elect a temporary ARB member to serve, if required, to temporarily replace an ARB member who has previously communicated with another person regarding a protest. (The Texas Property Tax Code uses the term “Temporary”, not alternate.)

7 – ARB members shall receive a per diem as provided by the annual appraisal district budget.

Duties and Responsibilities

The appraisal review board is responsible by statute for the review of appraisal records and the hearing and determination of taxpayers’ protests and taxing entity challenges.

The chief appraiser shall delegate appraisal office staff to provide clerical assistance to the ARB.

Upon submission of the appraisal records by the chief appraiser, the appraisal review board, as of its annual review, shall review and verify the values of those properties owned by employees of the district.

The ARB may adopt rules of procedure.

General Provisions

Board Policy Development

No policy or regulation, or any portion thereof, shall be operative if it is found to be in conflict with applicable law.

Open Records Act

The Panola County Appraisal District's records and information shall be open to the public, with some exceptions, according to the Open Records Act, Art. 6252-17a, Tex, Rev, Civ. Stat.

Records Management

The board of directors shall cause policies and procedures to be developed for the administration of the Texas Local Government Records Act. The board shall designate a records management officer to administer the records management program.

Records Management Policy

The Panola County Appraisal District's Record Management Policy was adopted by the board of directors on June 20, 1991. A copy of this policy is attached.

Ethics Policy

The Panola County Appraisal District's Ethics Policy was adopted by the board of directors on May 16, 1991. A copy of this policy is attached.

Smoking Policy

The Panola County Appraisal District's Smoking Policy was adopted by the board of directors on August 15, 1991. A copy of this policy is attached.

Disposal of Obsolete or Non-Working Equipment Policy

The Panola County Appraisal District's Disposal of Obsolete or Non-Working Equipment Policy was adopted by the board of directors on December 16, 1999. A copy of this policy is attached

Competitive Bidding Procedures Policy

The Panola County Appraisal District's Competitive Bidding Procedures Policy was adopted by the board of directors. A copy of this policy is attached.

Staff Vacancies Policy

The Panola County Appraisal District's Staff Vacancies Policy was adopted by the board of directors on October 19, 2000. A copy of this policy is attached.

Selection of Contract Appraisal Firms Policy

The Panola County Appraisal District's Selection of Contract Appraisal Firms Policy was adopted by the board of directors on January 17, 2002. A copy of this policy is attached.

Electronic Equipment, Media and Service Policy

The Panola County Appraisal District's Electronic Equipment, Media and Service Policy were adopted by the board of directors on June 13, 2002. A copy of this policy is attached.

Capitalization Policy

The Panola County Appraisal District's Capitalization Policy was adopted by the board of directors on January 17, 2002. This Capitalization Policy was revised by the adoption by the board of directors on December 18, 2008. A copy of these policies is attached.

Contingency Fund Policy

The Panola County Appraisal District's Contingency Fund Policy was adopted by the board of directors on December 18, 2008. A copy of this policy is attached.

Public Funds Investment Policy

The Panola County Appraisal District's Public Funds Investment Policy was adopted by the board of directors on April 16, 2009. A copy of this policy is attached.

RESOLUTION

WHEREAS, Title 6, Subtitle C, Local Government Code (Local Government Records Act) provides that an APPRAISAL DISTRICT must establish by RESOLUTION an active and continuing records management program to be administered by a Records Management Officer; and

WHEREAS, the PANOLA COUNTY APPRAISAL DISTRICT desires to adopt a RESOLUTION for that purpose and to prescribe policies and procedures consistent with the Local Government Records Act and in the interests of cost-effective and efficient recordkeeping; NOW THEREFORE:

BE IT ORDAINED BY THE

BOARD OF THE PANOLA COUNTY APPRAISAL DISTRICT

SECTION 1. DEFINITION OF THE APPRAISAL DISTRICT RECORDS. All documents, papers, letters, books, maps, photographs, sound or video recordings, microfilm, magnetic tape, electronic media, or other information recording media, 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 PANOLA COUNTY APPRAISAL DISTRICT or any of its officers or employees pursuant to law or in the transaction of public business are hereby declared to be the records of the PANOLA COUNTY APPRAISAL DISTRICT and shall be created, maintained, and disposed of in accordance with the provisions of this RESOLUTION or procedures authorized by it and in no other manner.

SECTION 2. ADDITIONAL DEFINITIONS. (1) "Department head" means the officer who by ordinance, order, or administrative policy is in charge of an office of the PANOLA COUNTY APPRAISAL DISTRICT that creates or receives records.

(2) "Essential record" means any record of the PANOLA COUNTY APPRAISAL DISTRICT necessary to the resumption or continuation of operations of the PANOLA COUNTY APPRAISAL DISTRICT in an emergency of disaster, to the re-creation of the legal and financial status of the PANOLA COUNTY APPRAISAL DISTRICT, or to the protection and fulfillment of obligations to the people of the state.

(3) "Permanent record" means any record of the PANOLA COUNTY APPRAISAL DISTRICT for which the retention period on a records control schedule is given as permanent.

(4) "Records control schedule" means a document prepared by or under the authority of the Records Management Officer listing the records maintained by the PANOLA COUNTY APPRAISAL DISTRICT, their retention periods, and other records disposition information that the records management program may require.

(5) "Records management" means the application of management techniques to the creation, use, maintenance, retention, preservation, and disposal of records for the purposes of reducing the costs and improving the efficiency of recordkeeping. The term includes the development of records control schedules, the management of filing and information retrieval systems, the protection of essential and permanent records,

the economical and space-effective storage of inactive records, control over the creation and distribution of forms, reports and correspondence, and the management of micrographics and electronic and other records storage systems.

(6) "Records liaison officers" means the persons designated under Section 10 of this RESOLUTION.

(7) "Records management committee" means the committee established in Section 6 of this RESOLUTION.

(8) "Records management officer" means the person designated in Section 5 of this RESOLUTION.

(9) "Records management plan" means the plan developed under Section 7 of this RESOLUTION.

(10) "Retention period" means the minimum time that must pass after the creation, recording, or receipt of a record, or the fulfillment of certain actions associated with a record, before it is eligible for destruction.

SECTION 3. APPRAISAL DISTRICT RECORDS DECLARED PUBLIC PROPERTY. All APPRAISAL DISTRICT records as defined in Sec. 1 of this ordinance are hereby declared to be the property of the PANOLA COUNTY APPRAISAL DISTRICT. No APPRAISAL DISTRICT official or employee has, by virtue of his or her position, any personal or property right to such records even though he or she may have developed or compiled them. The unauthorized destruction, removal from files, or use of such records is prohibited.

SECTION 4. POLICY. It is hereby declared to be the policy of the PANOLA COUNTY APPRAISAL DISTRICT to provide for efficient, economical, and effective controls over the creation, distribution, organization, maintenance, use, and disposition of all APPRAISAL DISTRICT records through a comprehensive system of integrated procedures for the management of records from their creation to their ultimate disposition, consistent with the requirements of the Texas Local Government Records Act and accepted records management practice.

SECTION 5. DESIGNATION OF RECORDS MANAGEMENT OFFICER. The CHIEF APPRAISER and the successive holders of said office, shall serve as Records Management Officer for the PANOLA COUNTY APPRAISAL DISTRICT. As provided by state law, each successive holder of the office shall file his or her name with the director and librarian of the Texas State Library within thirty days of the initial designation or of taking up the office, as applicable.

SECTION 6. ESTABLISHMENT OF RECORDS MANAGEMENT COMMITTEE: DUTIES. A Records Management Committee consisting of the CHIEF APPRAISER, CARTOGRAPHER, KEYPUNCH OPERATOR, APPRAISERS AND SECRETARY/BOOKKEEPER is hereby established. The committee shall:

(a) assist the Records Management Officer in the development of policies and procedures governing the records management program;

(b) review the performance of the program on a regular basis and propose changes and improvements if needed;

(c) review and approve records control schedules submitted by the Records Management Officer;

(d) give final approval to the destruction of records in accordance with approved records control schedules; and

(e) actively support and promote the records management program throughout the PANOLA COUNTY APPRAISAL DISTRICT.

SECTION 7. RECORDS MANAGEMENT PLAN TO BE DEVELOPED; APPROVAL OF PLAN; AUTHORITY OF PLAN. (a) The Records Management Officer and the Records Management Committee shall develop a records management plan for the PANOLA COUNTY APPRAISAL DISTRICT for submission to the APPRAISAL DISTRICT. The plan must contain policies and procedures designed to reduce the costs and improve efficiency of recordkeeping, to adequately protect the essential records of the APPRAISAL DISTRICT, and to properly preserve those records of the APPRAISAL DISTRICT that are of historical value. The plan must be designed to enable the Records Management Officer to carry out his or her duties prescribed by state law and this RESOLUTION effectively.

(b) Once approved by the APPRAISAL DISTRICT the records management plan shall be binding on all offices, departments, divisions, programs, commissions, bureaus, boards, committees, or similar entities of the PANOLA COUNTY APPRAISAL DISTRICT and records shall be created, maintained, stored, microfilmed, or disposed of in accordance with the plan.

(c) State law relating to the duties, other responsibilities, or record-keeping requirements of a department head do not exempt the department head or the records in the department head's care from the application of the RESOLUTION and the records management plan adopted under it may not be used by the department head as a basis for refusal to participate in the records management program of the PANOLA COUNTY APPRAISAL DISTRICT.

SECTION 8. DUTIES OF RECORDS MANAGEMENT OFFICER. In addition to other duties assigned in this RESOLUTION, the Records Management Officer shall:

(1) administer the records management program and provide assistance to department heads in its implementation;

(2) plan, formulate, and prescribe records disposition policies, systems, standards, and procedures;

(3) in cooperation with department heads identify essential records and establish a disaster plan for each APPRAISAL DISTRICT office and department to ensure maximum availability of the records in order to re-establish operations quickly and with minimum disruption and expense;

(4) develop procedures to ensure the permanent preservation of the historically valuable records of the PANOLA COUNTY APPRAISAL DISTRICT;

(5) establish standards for filing and storage equipment and for record-keeping supplies;

(6) study the feasibility of and, if appropriate, establish a uniform filing system and a forms design and control system for the PANOLA COUNTY APPRAISAL DISTRICT;

(7) provide records management advice and assistance to all APPRAISAL DISTRICT departments by preparation of a manual or manuals of procedure and policy and by on-site consultation;

(8) monitor records retention schedules and administrative rules issued by the Texas State Library and Archives Commission to determine if the records management program and the APPRAISAL DISTRICT'S records control schedules are in compliance with state regulations;

(9) disseminate to the APPRAISAL DISTRICT and department heads information concerning state laws and administrative rules relating to local government records;

(10) instruct Records Liaison Officers and other personnel in policies and procedures of the records management plan and their duties in the records management program;

(11) direct Records Liaison Officers or other personnel in the conduct of records inventories in preparation for the development of records control schedules as required by state law and this RESOLUTION;

(12) ensure that the maintenance, preservation, microfilming, destruction, or other disposition of the APPRAISAL DISTRICT is carried out in accordance with the policies and procedures of the records management program and the requirements of state law;

(13) maintain records on the volume of records destroyed under approved records control schedules, the volume of records microfilmed or stored electronically, and the estimated cost and space savings as the result of such disposal or disposition;

(14) report annually to the APPRAISAL DISTRICT on the implementation of the records management plan in each department of the PANOLA COUNTY APPRAISAL DISTRICT, including summaries of the statistical and fiscal data compiled under Subsection (13); and

(15) bring to the attention of the APPRAISAL DISTRICT non-compliance by department heads or other APPRAISAL DISTRICT personnel with the policies and procedures of the records management program of the Local Government Records Act.

SECTION 9. DUTIES AND RESPONSIBILITIES OF DEPARTMENT HEADS. In addition to other duties assigned in this RESOLUTION, department heads shall:

(1) cooperate with the Records Management Officer in carrying out the

policies and procedures established in the PANOLA COUNTY APPRAISAL DISTRICT for the efficient and economical management of records and in carrying out the requirements of this RESOLUTION;

(2) adequately document the transaction of government business and the services, programs, and duties for which the department head and his or her staff are responsible; and

(3) maintain the records in his or her care and carry out their preservation, microfilming, destruction, or other disposition only in accordance with the policies and procedures of the records management program of the PANOLA COUNTY APPRAISAL DISTRICT and the requirements of this RESOLUTION.

SECTION 10. DESIGNATION OF RECORDS LIAISON OFFICERS. Each department head shall designate a member of his or her staff to serve as Records Liaison Officer for the implementation of the records management program in the department. If the Records Management Officer determines that in the best interests of the records management program more than one Records Liaison Officer should be designated for a department, the department head shall designate the number of Records Liaison Officers specified by the Records Management Officer. Persons designated as Records Liaison Officers shall be thoroughly familiar with all the records created and maintained by the department and shall have full access to all records of the PANOLA COUNTY APPRAISAL DISTRICT maintained by the department. In the event of the resignation, retirement, dismissal, or removal by action of the department head of a person designated as a Records Liaison Officer, the department head shall promptly designate another person to fill the vacancy. A department head may serve as Records Liaison Officer for his or her department.

SECTION 11. DUTIES AND RESPONSIBILITIES OF RECORDS LIAISON OFFICERS. In addition to other duties assigned in this RESOLUTION, Records Liaison Officers shall:

(a) conduct or supervise the conduct of inventories of the records of the department in preparation for the development of records control schedules;

(b) in cooperation with the Records Management Officer coordinate and implement the policies and procedures of the records management program in their departments; and

(c) disseminate information to department staff concerning the records management program.

SECTION 12. RECORDS CONTROL SCHEDULES TO BE DEVELOPED; APPROVAL; FILING WITH STATE.

(a) The Records Management Officer, in cooperation with department heads and Records Liaison Officers, shall prepare records control schedules on a department by department basis listing all records created or received by the department and the retention period for each record. Records control schedules shall also contain such other information regarding the disposition of APPRAISAL DISTRICT records as the records management plan may require.

(b) Each records control schedule shall be monitored and amended as needed

by the Records Management Officer on a regular basis to ensure that it is in compliance with records retention schedules issued by the state and that it continues to reflect the recordkeeping procedures and needs of the department and the records management program of the PANOLA COUNTY APPRAISAL DISTRICT.

(c) Before its adoption a records control schedule or amended schedule for a department must be approved by the department and the CHIEF APPRAISER.

(d) Before its adoption a records control schedule must be submitted to and accepted for filing by the director and librarian as provided by state law. If a schedule is not accepted for filing, the schedule shall be amended to make it acceptable for filing. The Records Management Officer shall submit the records control schedules to the director and librarian.

SECTION 13. IMPLEMENTATION OF RECORDS CONTROL SCHEDULES; DESTRUCTION OF RECORDS UNDER SCHEDULE. (a) A records control schedule for a department that has been approved and adopted under Section 7 shall be implemented by department heads and Records Liaison Officers according to the policies and procedures of the records management plan.

(b) A record whose retention period has expired on a records control schedule shall be destroyed unless an open records request is pending on the record, the subject matter of the record is pertinent to a pending law suit, or the department head requests in writing to the Records Management Committee that the record be retained for an additional period.

(c) Prior to the destruction of a record under an approved records control schedule, authorization for the destruction must be obtained by the Records Management Officer from the Records Management Committee.

SECTION 14. DESTRUCTION OF UNSCHEDULED RECORDS. A record that has not yet been listed on an approved records control schedule may be destroyed if its destruction has been approved in the same manner as a record destroyed under an approved schedule and the Records Management Officer has submitted to and received back from the director and librarian an approved destruction authorization request.

SECTION 15. RECORDS CENTER. A records center, developed pursuant to the plan required by Section 7, shall be under the direct control and supervision of the Records Management Officer. Policies and procedures regulating the operations and use of the records center shall be contained in the records management plan developed under Section 7.

SECTION 16. MICROGRAPHICS. Unless a micrographics program in a department is specifically exempted by order of the APPRAISAL DISTRICT, all microfilming of records will be centralized and under the direct supervision of the Records Management Officer. The records management plan will establish policies and procedures for the microfilming of APPRAISAL DISTRICT records, including policies to ensure that all microfilming is done in accordance with standards and procedures for the microfilming of local government records established in rules of the Texas State Library and Archives Commission. The plan will also establish criteria for determining the eligibility of records for micro-

filming and protocols for ensuring that a microfilming program that is exempted from the centralized operations is, nevertheless, subject to periodic review by the records management officer as to cost-effectiveness, administrative efficiency, and compliance with commission rules.

ADOPTED BY THE BOARD OF DIRECTORS ON JUNE 20, 1991

ETHICS POLICY

It is the policy of the Panola County Appraisal District that the officers and employees of the district be independent, impartial and responsible to the taxpayers of Panola County; that public office or employment not be used for personal gain; and that state laws applicable to the conduct of public officials be observed. Policies and procedures of the appraisal district are adopted in affirmation of these goals.

STANDARDS OF CONDUCT

A member* of the Board of Directors or Appraisal Review Board 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.

A 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.

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

A 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.

Every employee shall file an affidavit of ownership (or interest) for property subject to appraisal by the Panola County Appraisal District. The affidavit is to be filed by April 1 to reflect December 31 ownership or interest.

A member or employee may not participate in a vote or decision on a matter affecting a person, business entity or property in which the member or employee has a substantial interest.

An employee shall not participate in the appraisal of property in which he has an interest (to include ownership, lienholder or any other interest). The employee shall refer such property directly to the Chief Appraiser.

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

COMPLIANCE

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.

A member of the Appraisal Review Board who violates any requirement of this policy shall

be subject to review and action by the Appraisal Review Board.

An employee who violates any requirement of this policy shall be subject to review and action by the Chief Appraiser.

** In this section, "member" refers to a member of the Panola County Appraisal District Board of Directors or Appraisal Review Board.*

ADOPTED BY THE BOARD OF DIRECTORS ON MAY 16, 1991

Smoking Policy

WHEREAS, the Surgeon General of the United States has declared that smoking is the number one public health issue of our time; and

WHEREAS, the United States Environmental Protection Agency has concluded that passive smoking appears to pose a public health risk larger than the hazardous air pollutants from all industrial emissions combined; and

WHEREAS, the State of Texas has recognized the potential health hazards of passive smoking by enacting Texas Penal Code Section 48.01; and

WHEREAS, in order to protect the health and welfare of our employees and patrons, it is the policy of the Panola County Appraisal District to prohibit smoking in the Panola County Appraisal District building located at 2 Ball Park Road, Carthage, Texas.

"Smoke" or "Smoking" includes the carrying or holding of a lighted pipe, cigar, or cigarette of any kind or any other lighted smoking equipment or device, and lighting of, emitting or exhaling the smoke of a pipe, cigar, or cigarette of any kind.

Passed on the first reading this _____ day of _____, 1991.

Passed on the second and final reading this 15 day of AUGUST, 1991 by the Panola County Appraisal District's Board of Directors.


CHAIRMAN


SECRETARY

Disposal of Obsolete or Non-Working Equipment

Equipment or supplies that can no longer perform the tasks for which the item(s) were purchased, or the tasks are no longer relevant to the operation of the district, can be disposed of in the following ways:

- Items may, at the discretion of the chief appraiser, be disposed on in the garbage if:
 - 1 - an item is broken and it is known that the item is not economically repairable (Example: an old electric pencil sharpener that no longer works).
 - 2 - the items are supplied for items in (1) above that are no longer needed and cannot be converted to other uses.
- The taxing jurisdictions shall be notified of any obsolete or non-working equipment that has salvage value and given the option of claiming the equipment for the jurisdiction's use. If more than one jurisdiction shall claim the same property, the owner shall decide by any form of chance.
- The district may conduct a sale of items with some apparent salvage value that were not claimed by jurisdictions in the following manner:
 - 1 - the chief appraiser shall assemble the items into lots with each lot being comprised of a few items that would seem to be attractive to buyers.
 - 2 - the district will publish an advertisement in one issue of the local newspaper, describing the general nature of the items for sale. The ad has no requirement to be of any certain size, but will appear in the *Legal Notices* section in the newspaper. The ad will list the sale date (bid opening) and the person to contact to obtain other particulars of the sale.
 - 3 - the newspaper advertisement will be published no more than 30 days, nor less than 10 days before the opening of the bids.
 - 4 - the lots will be identified by number and will be available for viewing by potential bidders between the time the newspaper ad is published and the final opening of the bids.
 - 5 - bidders may bid on one or more of the designated lots by submitting a bid in a sealed envelope. A bid form will be furnished upon request.
 - 6 - successful bidders will be expected to pay for their purchases and remove the goods from the district's office within 5 days after having been notified of their successful bid. All items in a purchased lot must be removed. Cash or money orders will be accepted.
 - 7 - items discussed in #1 above may be added to these sales lots.

Competitive Bidding Procedures Policy

It shall be the policy of the Panola County Appraisal District to provide notice of any planned purchase which will be in the amount of \$15,000 or greater. This notice will be provided by publishing information concerning such purchase in a local newspaper; as such newspaper meets the requirement in state law that it be a newspaper of general circulation published in Panola County. The notice will be published once each week with the first day of publication occurring before the 14th day before the bid opening.

The notice must include:

- The specifications describing the item to be purchased, or if such specifications be lengthy, a statement that a packet of such materials will be available at the PCAD office upon request. Such packets may be automatically sent to vendors who have expressed an interest in bidding on such items in the past.
- A statement that all bids are to be sent to the office of the PCAD in care of the Chief Appraiser with a deadline by which time such bids are to be received.
- Whether the bidder should use lump sum or unit pricing, and the method by which this district would provide payment.
- The date and time for the opening of the bids by the chief appraiser and the time and date of the board meeting to consider and award such contracts.
- The type of bond, if any, required of the bidder.

The bids shall be opened by the chief appraiser on the date specified in the notice and such bids duplicated in a manner that provides each board member of copy of each bid.

The bids shall be considered at a regular or called meeting of the board of directors and the contract awarded on the basis of such bids. The board of directors may extend the date specified in the notice, as provided by law, if an error is discovered in the original specifications, or the need for additional information is affirmed by a majority vote of the board. Any and all bids may be rejected as provided in Subchapter C, Chapter 271, Local Government Code as may in the future be amended. All opened bids shall be kept on file and available for inspection by anyone desiring to see them.

Staff Vacancies

It shall be the policy of this district to fill vacancies according to its statement of Equal Employment Opportunity. The general process by which this will be accomplished is:

- Upon learning that a vacancy exists, the chief appraiser shall endeavor to make the position availability known so that those who wish may apply.
- The chief appraiser shall prepare a notice that contains the following information as a minimum:

A very general description of the duties of the position. This generalization will allow the chief appraiser to make internal changes in staffing duties which may more adequately conform to the needs of the district or addresses the wishes of current employees.

Education or prior work experience requirements.

Give the name, location and phone number of the appraisal district and state that an application is available upon request.

- The position availability is to be advertised for a minimum of one (1) week. If no qualified candidate applies during that time, additional advertisements will be run for the period of time necessary to attract a person meeting the qualifications. This notice is to be posted at the Courthouse and at the Panola County Appraisal District's office, aired on the local radio station, and published in the local newspaper. The notice may also be posted at other locations where qualified candidates and the public at large are likely to view it.
- The chief appraiser will interview those applicants who have the required qualifications and will select the most qualified candidate from this group. The successful candidate will be notified by telephone, and a letter will be sent to all others who applied.

Selection of Contract Appraisal Firms Policy

Wherefore the Panola County Appraisal District Board of Directors determines that the most beneficial way of letting contracts with its outside expert appraisers is through a committee process, the Board hereby states the policy of the Board is that the Board Chairman will appoint a committee made up of two members of the Board and the Chief Appraiser prior to the expiration of the current contract for outside expert appraisal services.

This committee shall meet with the current outside expert appraisal firm to negotiate a contract for the next contract term. After negotiation, the committee shall made its recommendation to the entire Board to either accept the negotiated contract with the current outside expert appraisal firm, or recommend that the Board offer the contract through a formal bidding process, which will include a Request for Proposals. The Board will then vote to accept or reject the recommendation

Adopted this _____ day of January 2002.

Chairman of the Board

Secretary of the Board

Electronic Equipment, Media and Services Policy

This policy applies to the use of computers, e-mail, telephones, cellular phones, voicemail, fax machines, radio and wireless devices, on-line services, and the Internet. Employees may have access to one or more forms of Electronic Equipment, Media, and Services.

General Principles

Panola County Appraisal District (PCAD) provides access to electronic forms of communication and information exchange.

PCAD encourages employees to use Electronic Equipment, Media, and Services to make communications more efficient and effective and because they are valuable sources of information for governmental-related work.

With the rapidly changing nature of electronic media and the “netiquette” developing among users of external on-line services and the Internet, this policy cannot provide guidelines for every possible situation. Instead, it expresses PCAD’s philosophy and sets forth general principles for the use of Electronic Equipment, Media, and Services by all.

This policy applies to all Electronic Equipment, Media, and Services, which are:

- PCAD property;
- accessed using PCAD computer equipment, via PCAD paid access methods, and/or
- used in a manner that identifies the individual as an employee or agent of PCAD.

The use and/or dissemination of Electronic Equipment, Media, and Services are subject to existing laws, rules, regulations, and guidelines.

The Chief Appraiser is responsible for monitoring compliance with this policy. All guidelines established for the use and/pr dissemination of Electronic Equipment, Media, and Services must be based on this policy.

Procedures

PCAD Electronic Equipment, Media, and Services must not be used for knowingly transmitting, retrieving, or storing any communications that are:

- discriminatory or harassing;
- derogatory toward any individual or group;
- obscene;
- defamatory or threatening;
- “chain letters”; or
- for any other purposes, which is illegal, or against PCAD policy.

The use of Electronic Equipment, Media, and Services is to be work-related.

Privacy

Employees have no expectations of privacy in their work-related conduct or the use of PCAD-owned or PCAD provided equipment or supplies. Employees should not expect privacy in the use or content of Electronic Equipment, Media, and Services.

Nonetheless, as a general rule, electronic information created and/or communicated by an employee using e-mail, word process, utility programs, spreadsheets, voicemail, telephone, Internet access, etc. are not monitored. However, the following conditions and exception apply:

- To the extent by law, management routinely monitors usage patterns for voice and data communications (e.g. website accessed, length, and times of day). Reasons include cost analysis, cost allocations, and the management of PCAD's gateway to the Internet.
- To the extent allowed by law, management is permitted to review an employee's electronic files, messages, and usage to ensure that Electronic Equipment, Media, and Services are being used in compliance with the law and this and other policies.

No e-mail or other electronic communication may be send which attempts to hide the identity of the sender or represent the sender as someone else.

Acceptable Uses of Electronic Media

The following is a non-exhaustive list of *acceptable uses* of Electronic Equipment, Media, and Services.

- Communication and information exchange directly related to the duties of responsibilities of the user's department.
- Communication for professional development, to obtain continuing education or training, or to discuss issues related to the user's public duties or responsibilities.
- Announcement of new PCAD regulations, procedures, policies, rules, services, programs, or activities.
- At the chief appraiser's discretion, employees are permitted to use electronic media for incidental or *de minimis* personal matters. Employees are responsible for complying with any relevant fee-for-use policies.

Unacceptable Uses of Electronic Media

The following is a non-exhaustive list of unacceptable uses of Electronic Equipment, Media, and Services.

- Use for any personal profit.
- Use for purposes not directly related to the duties or responsibilities of PCAD before, after, or during normal business hours.
- Use to copy, retrieve, or forward copyrighted material (such as software, database files, documentation, articles, graphics files, and downloaded information) unless the individual has the right to copy or distribute such material.

- Attempts to read, “hack” into other systems or other persons’ logins, or “crack” passwords, or breach computer or network security measures. Employees must not seek others’ passwords or exchange passwords without supervisor approval.
- Development of programs designed to harass other users or infiltrate computer or computenetwork or to damage or alter hardware or software.
- Use of Electronic Equipment, Media, and Services in a manner that is likely to cause network congestion or significantly hamper the ability of others to access and use the services or equipment.
- Intentionally seeking access to or copies of information, files, or data that is confidential under federal, state, or local law, unless specifically authorized to do so once the legal conditions for release are satisfied.
- Use of Electronic Equipment, Media, and Services that violates a federal, state, or local law.
- Attachment of private equipment and/or private services for the express purposes of circumventing this policy.

Capitalization Policy

It shall be the policy of the Panola County Appraisal District that \$5,000 is used as the minimum amount required to be spent on assets with more than one year of useful life before capitalization and depreciation of that asset cost is used.

Items of similar nature and use and individual items used to construct a single project would be combined to determine the capitalization requirement.

Therefore, it is the policy that the district amends its capitalization policy to the amount of \$5,000.00

Adopted this 18th day of December 2008.

Jerry Hanszen, Chairman
Board of Directors
Panola County Appraisal District

Jean Whiteside, Secretary
Board of Directors
Panola County Appraisal District

Capitalization Policy

It shall be the policy of this district to include assets in inventory or capital outlay listing only if the assets have a cost of \$100 or more.

Contingency Fund Policy

Resolution No. 2008-01
Panola County Appraisal District, Carthage, Texas

WHEREAS the Panola County Appraisal District, through its Board of Directors, has determined that the District does not maintain adequate reserves in its budget to handle unexpected contingencies or emergencies.

AND WHEREAS, the Board has determined that a contingency reserve should be maintained for the Appraisal District.

AND WHEREAS, the Board has determined that the best way to create this fund is from encumbering a portion of the unexpended monies from the yearly budget of the appraisal district that are normally returned to the taxing units that participate in the Appraisal District.

NOW WHEREFORE, the Panola County Appraisal District, acting through its Board of Directors, hereby RESOLVES to encumber a percentage of the monies it would normally refund to the taxing entities participating in the appraisal district each year for a contingency reserve. The percentage that will be withheld to fund the contingency reserve will be determined by the Board of Directors after each annual audit is complete.

Signed this the 18th day of December 2008, in Carthage, Panola County, Texas.

Jerry Hanszen, Chairman
Panola County Appraisal District Board of Directors

WITNESS:

Jean Whiteside, Secretary
Panola County Appraisal District Board of Directors

Public Funds Investment Policy

Resolution #2009-01
Panola County Appraisal District
Resolution Adopting Investing Policy

WHEREAS, The Public Funds Investment Act (Texas Government Code, Chapter 2256) governs local government investment; and

WHEREAS, the Public Fund Investment Act (Section 2256-005a) requires the District to adopt an investment policy and investment strategies by rule, order, ordinance or resolution governing the investment of funds under its control; and

WHEREAS, the Public Fund Investment Act (Section 2256.005e), requires the governing body to review and adopt that investment policy and investments strategies by rule, order, ordinance or resolution not less than annually, recording any changes made thereto; and

WHEREAS, the District Board has chosen to adopt its initial Investment Policy attached as an Exhibit to this resolution;

NOW, THEREFORE, BE IT RESOLVED

That the District has complied with the requirements of the Public Funds Investment Act and the Investment Policy attached hereto as an Exhibit is hereby adopted as the Investment Policy of the District.

PASSED, ADOPTED, AND APPROVED by the Board of the Panola County Appraisal District this the _____ day of April 2009.

APPROVED:

Jerry Hanszen,
Chairman of the Board of Directors

ATTEST:

Walta Cooke,
Secretary of the Board of Directors

Investment Policy

Panola County Appraisal District

Adopted April 16, 2009

I. POLICY STATEMENT

It is the policy of the Panola County Appraisal District (the "District") that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the District and conforming to all applicable state statutes governing the investment of public funds.

The receipt of a market yield will be secondary to the requirements for safety and liquidity. It is the intent of the District to be in complete compliance with local law and the Texas Public Funds Investment Act ("the Act"). The earnings from investments will be used in a manner that best serves the interest of the District.

II. SCOPE

This investment policy applies to all the financial assets and funds of the District. The District commingles its funds into one pooled investment fund for investment purposes for efficiency and maximum investment opportunities. Any new funds created by the District will come under this Policy unless specifically exempted by the District Council and this policy.

III. OBJECTIVES AND STRATEGY

It is the policy of the District that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification and yield. Investments are to be chosen in a manner that promotes diversity by market sector, credit and maturity. The choice of high-grade government investments and high-grade money market instruments are designed to assure the marketability of those investments should liquidity needs arise. To match anticipated cash flow requirements the maximum weighted average maturity of the overall portfolio may not exceed three months.

Safety of Principal

Safety of principal is the foremost objective of the District. Investments of the District shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Liquidity

The District's investment portfolio will be based on a cash flow analysis of needs and will remain sufficiently liquid to enable it to meet all operating requirements, which might be reasonably anticipated.

Diversification

Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of broker/dealers for diversification and market coverage. Competitive bidding will be used on each sale and purchase.

Yield

The District's investment portfolio shall be designed with the objective of attaining a reasonable yield, taking into account the District's risk constraints and the cash flow needs of the portfolio. The benchmark for the portfolio will be the average yield of the current three-month U.S. Treasury Bill for the same period.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The District shall maintain a cash management program that includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits. All investments will be made in accordance with these statutes.

V. DELEGATION OF INVESTMENT AUTHORITY (See Section 6.05(h) of the Texas Property Tax Code)

The Board of Directors, acting on behalf of the District, is designated as the Investment Officer of the District and is responsible for investment management decisions and activities. The Officer is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the Investment program that are consistent with this Investment Policy. See Exhibit A attached to and made a part of this policy. Procedures will include reference to wire transfer agreements, banking services contracts, and other investment related activities.

No Officer or designee may engage in an investment transaction except as provided under the terms on this Policy and the procedures established.

Authorization Resolution

A resolution is established with this Investment Policy, and attached hereto, authorizing the Investment Officer to engage in investment transactions on behalf of the District. The persons authorized by the resolution to transact business for the District are also authorized to approve wire transfers used in the process of investing.

VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

Limitation of Personal Liability

The Investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effect.

VII. INTERNAL CONTROLS

The Investment Officer shall establish a system of written internal controls that will be review annually with the independent auditor of the District. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes or imprudent actions by employees of the District.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the District. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

VIII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below and as further described by the Public Fund Investment Act.

- A. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed one (1) year to stated maturity, excluding collateralized mortgage obligations (CMOs);
- B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one (1) year to stated maturity;
- C. No-load, AAA-rated, SEC registered money market funds; and
- D. AAA-rated, constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act and approved by resolution of the Board.

If additional types of securities are approved for investment by public funds by state statutes, they will not be eligible for investment by the District until this policy has been amended and the amended version approved by the District Board.

Competitive Bidding Requirement

All securities, including certificate of deposit, will be purchased only after three (3) offers are taken to verify the District is receiving fair market price for the investment.

Delivery versus Payment

All security transactions entered into by the District, shall be conducted on a delivery versus payment (DVP) basis.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

All investments made by the District will be made through the District's banking services bank, a bank in Texas, or an approved broker/dealer. The Board will review the listing of authorized broker/dealers annually. A list of at least three broker/dealers/banks/pools will be maintained in order to assure competitive bidding.

Securities broker/dealers must meet certain criteria as determined by the Investment Officer. Those firms on the list must meet the following criteria:

- proof of certification by the National Association of Securities Dealers (NASD) and provision of CRD number, and
- Proof of current registration with the Texas State Securities Commission.

Every broker/dealer and bank with which the District transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. A representative of the firm will be required to return a signed certification stating that the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to the District.

X. DIVERSIFICATION AND MATURITY LIMITATIONS

It is the policy of the District to diversity its investment portfolio. Invested funds shall be diversified to minimize the risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed.

The Investment Officer shall be required to diversity maturities. The Investment Officer, to the extent possible; will attempt to match investment with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to a specific requirement, the Investment Officer may not invest more than 20% of the portfolio for a period greater than three months.

XI. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on delivery versus payment basis and be held in safekeeping by either the District, an independent third party financial institution, or the District's designated banking services depository.

The Investment Officer shall designate all safekeeping arrangements and an agreement of the terms executed in writing. The third party custodian shall be required to issue safekeeping receipts to the District listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the District or pledged to the District.

All securities pledged to the District for certificates of deposit or demand deposits, shall be held by an independent third party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.

Collateralization

Collateralization is required on all bank time and demand deposits over FDIC insurance coverage of \$100,000.

In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest. Collateral will be held by an independent third party safekeeping agent.

XIII. PERFORMANCE EVALUATION AND REPORTING

The Investment Officer shall submit a monthly report to the District Board containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program and consistent with statutory requirements of the Act.

Market prices for market evaluations will be obtained from an independent source.

XIII. DEPOSITORIES

The District will designate one banking institution through a competitive process as its central banking services provider at least every five years. This institution will be used for normal banking services including disbursements, collections, and safekeeping of securities. Other banking institutions from which the District may purchase certificates of deposits will also be designated as a depository after they provide their latest audited financial statements to the District.

XIV. INVESTMENT POLICY ADOPTION BY CENTER BOARD

The District's Investment Policy shall be adopted annually by the Board. A written resolution adopting the Policy and noting any changes to the Policy will be passed and recorded by the Board.

Exhibit A

Attached hereto and made a part of that certain Investment Policy of the Panola County Appraisal District adopted April 16th, 2009.

The Panola County Appraisal District is funded by quarterly payments as provided in Section 6.06 of the Texas Property Tax Code. These payments are received and deposited into a money market account at the designated bank chosen every two (2) years as required by the Texas Property Tax Code.

The district maintains two accounts with the bank: money market account and operating account. Funds are transferred from the money market account to the operating account, as needed, to fund the district's operations.

Transfer of funds from the money market account to the operating account requires the signature of the chairman and secretary of the Board of Directors.

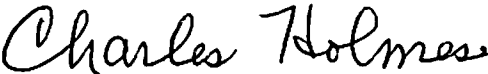
The chief appraiser is authorized to issue payment by check from the operating account for staff payroll and the district's monthly operating cost. The chief appraiser shall be bonded in the amount of \$100,000.00.

The Board of Directors shall receive written monthly reports on the money market account and the operating account to include all deposits, withdrawals and current balances.

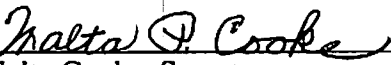
All financial records of the District will receive an annual audit by an independent auditor. Written copies of the audit will be presented to the board during a public meeting. Copies are also delivered to all entities that support the district. Copies are available to the public upon request.

It is expressly agreed that the provisions of this rider shall supersede any portion of the printed form of the adopted policy, which is inconsistent herewith, and all other printed provisions of this policy, to which it is attached or in all things subrogated to the expressed and implied terms of this rider.

APPROVED BY:



Jerry Hanszen, Chairman
Board of Directors



Walta Cooke, Secretary
Board of Directors

First Reading - March 26, 2009
Second Reading - April 16, 2009