

METHODS AND ASSISTANCE PROGRAM 2021 REPORT



Glenn Hegar Texas Comptroller of Public Accounts 2020-21 Final Methods and Assistance Program Review

This review is conducted in accordance with Tax Code Section 5.102(a-1) and related Comptroller Rule 9.301. The Comptroller is required by statute to review appraisal district governance, taxpayer assistance, operating procedures and appraisal standards.

The appraisal district is established in a county located in an area declared by the governor to be a disaster area during the tax year in which the review is required. Therefore, a limited-scope review has been conducted.

Mandatory Requirements	PASS/FAIL
Does the appraisal district have up-to-date appraisal	
maps?	
Is the implementation of the appraisal district's most	
recent reappraisal plan current?	
Are the appraisal district's appraisal records up-to-	
date and is the appraisal district following established	
procedures and practices in the valuation of property?	
Are values reproducible using the appraisal district's	
written procedures and appraisal records?	

Appraisal District Activities	RATING
Governance	
Taxpayer Assistance	
Operating Procedures	
Appraisal Standards, Procedures and Methodology	

Appraisal District Ratings:

Meets All – The total point score is 100

Meets – The total point score ranges from 90 to less than 100

Needs Some Improvement – The total point score ranges from 85 to less than 90

Needs Significant Improvement – The total point score ranges from 75 to less than 85

Unsatisfactory – The total point score is less than 75

Review Areas	Total Questions in Review Area (excluding N/A Questions)	Total "Yes" Points	Total Score (Total "Yes" Questions/Total Questions) x 100
Governance			
Taxpayer Assistance			
Operating Procedures			
Appraisal Standards, Procedures and Methodology			

Glenn Hegar Texas Comptroller of Public Accounts 2020-21 Final Methods and Assistance Program Tier 2 Review

This review is conducted in accordance with Tax Code Section 5.102(a-1) and related Comptroller Rule 9.301. The Comptroller is required to review appraisal districts' governance, taxpayer assistance, operating procedures and appraisal standards, procedures and methodology. Each appraisal district is reviewed every other year. This report details the results of the review for the appraisal district named above.

GOVERNANCE

	Governance Review Question	Answer	Recommendation
1.	Does the appraisal district board of directors regularly evaluate the chief appraiser?		
2.	Has the chief appraiser completed the Chief Appraiser Institute prescribed by Section 1151.164 Occupations Code as required by Tax Code Section 6.05(c)?		
3.	Has the board of directors and appraisal review board completed Open Meetings training pursuant to Government Code Section 551.005?		
4.	Does the appraisal district have a professional development program as discussed in IAAO's Standard on Professional Development?		
5.	Do the current appraisal district board of director members meet the criteria listed in Tax Code Section 6.03(a), 6.035(a)(2) and 6.035(a-1)?		
6.	Has the chief appraiser calculated the number of votes to which each taxing unit is entitled and delivered written notice of the voting entitlement before October 1st of the most recent odd-numbered year as described in Tax Code Section 6.03(e) or if the appraisal district falls under 6.031, have they received nominating resolutions by December 31st?		
7.	Before October 30, did the chief appraiser prepare a ballot, listing the candidates whose names were timely submitted and deliver a copy to each taxing unit that is entitled to vote in accordance with Tax Code Section 6.03(j)?		

	Governance Review Question	Answer	Recommendation
8.	Did the appraisal district receive nominating resolutions before December 15 th and did the chief appraiser submit the results to the governing body of each taxing unit entitled to vote and the candidates before December 31st as required by Tax Code Sections 6.03(k)?		
9.	Did the board of directors meet at least quarterly and with a quorum present at every meeting in the previous year as required by Tax Code Section 6.04(b)?		
10.	Was the most recent written reappraisal plan adopted by the appraisal district's board of directors by the Sept. 15 deadline listed in Tax Code Section 6.05(i)?		
11.	Did the appraisal district board of directors provide notice of and host a public hearing for the 2019-20 reappraisal plan by September 15, 2018 or the 2021-22 reappraisal plan by September 15, 2020 pursuant to Tax Code Section 6.05(i)?		
12.	Was the appraisal district's most recent preliminary budget produced and delivered to the taxing units according to the requirements of Tax Code Section 6.06(a)?		
13.	Did the appraisal district prepareand post the most recent budget notice according to the requirements of Tax Code Section 6.062?		
14.	Did the appraisal district board of directors provide notice of and host a public hearing for the most recent budget and approve a budget before September 15 according to the requirements of Tax Code Section 6.06(b)?		
15.	Has the chief appraiser appointed a qualified agricultural appraisal advisory board and has that board met at least once within the previous year, as required by Tax Code Section 6.12?		
16.	Did the appraisal district deliver a copy of the most recent financial audit report to each taxing unit eligible to vote on the appointment of district directors as described in Tax Code Section 6.063(b)?		

	Governance Review Question	Answer	Recommendation
17.	Are allocation statements sent to each taxing unit as described in Tax Code Section 6.06(e)?		
18.	Does the appraisal district have updated board of director policies that include a written plan that describes how a person who does not speak English or has a physical, mental, or developmental disability may be provided reasonable access to the board as described in Tax Code Section 6.04(e)?		

TAXPAYER ASSISTANCE

	Taxpayer Assistance Review Question	Answer	Recommendation
19.	Is the information on the appraisal district's website up-to-date?		
20.	Does the appraisal district maintain contact with the public by providing written publications and annual reports as described in IAAO's Standard on Public Relations?		
21.	Does the appraisal district report, and make available to the public, the metered amount of electricity, water or natural gas consumed for which it is responsible to pay and the aggregate costs for those utility services as required by Government Code Section 2265.001?		
22.	Did the appraisal district publicize the notices required by Tax Code Sections 11.44(b), 22.21, 23.43(f), 23.54(g) and 23.75(g) in a manner designed to reasonably notify all property owners?		
23.	Did the appraisal district publishthe notice of protest and appeal procedures as required by Tax Code Section 41.70?		
24.	Does the appraisal district offer training to employees for customer service/public relations as described in IAAO's Standard on Public Relations?		

	Taxpayer Assistance Review	Answer	Recommendation
	Question		
25.	Does the appraisal district have a		
	procedure for receiving and		
	responding to open records requests		
	that complies with Government Code		
	Chapter 552 and is the procedure		
	being followed?		
26.	Does the appraisal district have a		
	process for updating or maintaining		
	homestead exemptions?		
27.	Does the homestead exemption form		
27.	used by the appraisal district comply		
	with Comptroller Rule 9.415?		
28.	Does the appraisal district notify		
	property owners when denying,		
	modifying or cancelling exemptions as		
	described in Tax Code Sections		
	11.43(h) and 11.45(d)?		
29.	Did the appraisal district follow the		
	procedure described in Tax Code		
	Section 11.43(q) when cancelling		
	homestead exemptions for individuals		
20	who are 65 years of age or older?		
30.	Did the chief appraiser deliver notices		
	of denial of applications for open-		
	space land designation that include a		
	brief explanation of the procedures for		
	protesting the denials and full explanations of the reasons for the		
	denials in the current or prior year, as		
	required by Tax Code Section		
	23.57(d)?		
31.	Did the chief appraiser deliver		
	appropriate exemption application		
	forms in the current year to persons		
	who in the preceding year were		
	allowed exemptions requiring annual		
	applications, as required by Tax Code		
	Section 11.44(a)?		
32.	Does the appraisal district comply		
	with the requirements for granting		
	solar and wind power energy devices		
	exemptions under Tax Code Section		
	11.27?		
33.	Does the appraisal district maintain		
	documentation for deferrals as		
	required by Tax Code Section		
	33.06(b)?		
34.	Does the appraisal district comply		
	with the requirements for granting		
	charitable organization exemptions		
	under Tax Code Section 11.18?		

	Taxpayer Assistance Review Question	Answer	Recommendation
35.	Does the appraisal district maintain the required information stated in Tax Code Section 11.432 for manufactured homes to qualify as a residence homestead?		

OPERATING PROCEDURES

	Operating Procedures Review Question	Answer	Recommendation
36.	Does the chief appraiser ensure all appraisal staff completes all requirements for becoming a Registered Professional Appraiser by the Texas Department of Licensing and Regulation?		
37.	Is the appraisal district in compliance with Tax Code Section 6.054, restriction on employment by appraisal district?		
38.	Does the appraisal district have comprehensive and workable written procedures concerning disaster recovery and mitigation?		
39.	Did the appraisal district timely submit the Comptroller's most recent appraisal district operations survey?		
40.	Did the appraisal district sendcopies of the most recent reappraisal plan to the presiding officers of the governing body of each taxing unit participating in the district and to the Comptroller by the date described in Tax Code Section 6.05(i)?		
41.	Does the appraisal district receive and process arbitration requests as described in Tax Code Section 41A.05 and Comptroller Rule 9.4254?		

	Operating Procedures Review Question	Answer	Recommendation
42.	Did the appraisal district correct the appraisal roll and other appropriate records as necessary to reflect the final determination of the appeal and certify the change to the assessor for each affected taxing unit no later than the 45 th day after the date an appeal is finally determined as required by Tax Code Section 42.41(a)(1) and 42.41(a)(2)?		
43.	Did the appraisal district compile a partial exemption list as described in Tax Code Section 11.46 and Comptroller Rule 9.3010 and was the most recent list made available to the public?		
44.	Not later than April 30 of the most recent year, did the appraisal district prepare and certify to the assessor for each county, municipality and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unitas described by Tax Code Section 26.01(e)?		
45.	Did the chief appraiser prepare and certify the two most recent appraisal rolls to the assessor for each taxing unit participating in the district as described in Tax Code Section 26.01(a)?		
46.	For changes made to the appraisal roll under Tax Code Section 25.25, are the changes coded by the appropriate subsection that authorizes the change?		
47.	Are corrections of the appraisal roll presented to the appraisal district's board of directors and Appraisal Review Board as described in Tax Code Section 25.25(b)?		
48.	Are 25.25 (c) changes to the appraisal roll permissible changes in accordance with Tax Code Section 25.25(c)?		
49.	Does the chief appraiser submit the completed appraisal records to the Appraisal Review Board for review and determination of protests as described in Tax Code Section 25.22?		

	Operating Procedures Review Question	Answer	Recommendation
50.	Do the appraisal review board's orders of determination comply with the requirements of Tax Code Sections 41.47(c)(1) and (2) and the Comptroller's model hearing procedures as they relate to Tax Code Section 5.102(b)(2)?		
51.	Section 5.103(b)(2)? Does the appraisal district provide evidence during the appeals process?		
52.	Are agent authorization forms on file and complete in accordance with Tax Code Section 1.111(b)?		
53.	Did the appraisal district submit completed forms and required documentation for designated reinvestment zones and abatement agreements before July 1st of the year following the year in which the zone is designated or the agreement is executed as required by Tax Code Section 312.005(a)?		
54.	Is the appraisal district compliant with Tax Code Section 11.13(g) as it relates to FMFC exemptions?		
55.	Are properties correctly categorized according to PTAD classification guidelines?		
56.	Do the appraisal records include the required descriptive information for manufactured homes as stated in Tax Code Section 25.03?		
57.	Did the appraisal district submit the two most recent electronic property transaction submissions to the Comptroller timely?		
58.	Did the appraisal district submit the two most recent electronic appraisal rolls to the Comptroller timely?		

APPRAISAL STANDARDS, PROCEDURES AND METHODOLOGY

Appraisal Standards, Procedures and Methodology Review Question		Answer	Recommendation
59.	Have the physical inspection dates in the appraisal records been updated within the previous six years as discussed in IAAO's Standard on Mass Appraisal of Real Property?		
60.	Did the appraisal district complete and produce written mass appraisal reports in the previous two years as required by USPAP Standard 6?		

Annuaisal Standards Dragadures		Answor	Recommendation
Appraisal Standards, Procedures		Answer	Recommendation
	and Methodology Review		
	Question		
61.	Do the appraisal district's contracts		
	contain the items described in IAAO's		
	Standard on Contracting for		
	Assessment Services?		
62.	Does the appraisal district gather		
	available real estate transfer		
	documents and use available third-		
	party sources in gathering sales		
	information, according to IAAO's		
	Standard on Verification and		
	Adjustment of Sales, Sections 3.1		
	through 3.4?		
63.	Do sold and unsold "like" properties		
	within the same market area have		
	similar noticed values?		
64.	Does the appraisal district run ratio		
	studies by market area and		
	neighborhood, property class, or		
	stratum?		
65.	Are the appraisal district's cost		
03.	schedules and appraisal models used in		
	such a way that adjustments are made		
	for neighborhood factors and property		
	specific factors?		
66.	Has the appraisal district adjusted its		
	residential property cost schedules		
	based on sales data, ratio studies, local conditions or market factors within the		
	previous two years?		
	<u>* </u>		
67.	Has the appraisal district adjusted its		
	commercial property cost schedules		
	based on sales data, ratio studies, local		
	conditions or market factors within the		
	previous two years?		
68.	Does the appraisal district follow its		
1	written procedures for inspecting new		
	personal property accounts in the 12		
	months after they are created, as		
	discussed in IAAO's Standard on		
	Valuation of Personal Property?		
69.	Does the appraisal district apply the		
	rendition penalty for taxpayers who		
	do not render timely according to Tax		
	Code Section 22.28 and are penalties		
1	waived when necessary, as described		
	in Tax Code Section 22.30?		
70.	Has the chief appraiser established		
	procedures for the equitable and		
1	uniform appraisal of residential		
	inventory for taxation as required by		
1	Tax Code Section 23.12?		
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/	Appraisal Standards, Procedures	Answer	Recommendation
	and Methodology Review	Allswei	Recommendation
	Question		
71	-		
71.	Does the appraisal district comply with appraisal requirements for heavy		
	equipment inventory (Tax Code		
	Section 23.1241)?		
72.	Does the appraisal district comply		
	with appraisal requirements for		
	motor vehicle inventory (Tax Code		
	Section 23.121)?		
73.	Does the appraisal district gather		
	income and expense data and calculate		
	values using the income approach for		
	multi-family properties?		
74.	Does the appraisal district gather		
	income and expense data and calculate		
	values using the income approach for		
	office properties?		
75.	Does the appraisal district gather		
	income and expense data and calculate values using the income approach for		
	retail properties?		
76.	Does the appraisal district gather		
	income and expense data and		
	calculate values using the income		
	approach for warehouse		
	properties/mini storages?		
77.	Are exempt and nonexempt multi-		
	family low income properties		
	appraised in accordance with Section		
	23.215 and 11.1825(q) of the		
	Property Tax Code?		
78.	Does the appraisal district post		
	exempt low-income capitalization		
	rates on their website by January 31st		
	and is the capitalization rate that is posted the one that is used on exempt		
	multi-family low income housing as		
	described in Tax Code Section		
	11.1825(r)?		
79.	Are net-to-land calculations for		
	agricultural use land designated as		
	dry and irrigated cropland		
	reproducible from the appraisal		
	district's records and is the appraisal		
	district following their dry and/or		
80.	irrigated cropland schedule? Are net-to-land calculations for		
ου.	agricultural use land designated as		
	native pasture reproducible from the		
	appraisal district's appraisal records		
	and is the appraisal district following		
	their native pasture schedule?		

Appraisal Standards, Procedures		Answer	Recommendation
-	and Methodology Review Question	333000	
81.	Does the appraisal district perform inspections of properties as a result of receiving wildlife management use appraisal applications?		
82.	Does the appraisal district perform inspections of properties as a result of receiving agricultural use appraisal applications?		
83.	For properties that have been granted agricultural use appraisal, are completed applications and required documentation on file?		
84.	Is the appraisal district following their current guidelines for degree of intensity standards when granting special valuation appraisal for agricultural and/or timberland use?		
85.	Has the appraisal district updated and implemented timber guidelines to include the qualification of productivity appraisal under Tax Code Sections 23.72(b) and 23.9802(d)?		
86.	Does the appraisal district make an entry on the appraisal records when agricultural applications are received after April 30 and deliver written notice of imposition of the penalty as described in Tax Code Section 23.431?		