

# **Tax Appraisal District of Cottle County**

## **Board of Directors**

### **Policy Manual**

**This policy is under review by Board of Directors  
Jan. 2010**

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## **MISSION STATEMENT**

It is the mission of the District Board of Directors to establish general policies in keeping with the requirements of state law and adherence to the dictates of the Texas Property Tax Code (hereafter referred to as Tax Code). It is charged with the responsibility to provide uniform and equal appraisal of all property within its boundaries and to develop an annual appraisal roll for use by the taxing jurisdictions.

### **I. GENERAL INFORMATION**

The Cottle County Appraisal District (hereafter referred to as District) is a political subdivision of the State of Texas and created pursuant to Subtitle B, Chapter 6, Subchapter A of the Tax Code. Its boundaries are the same as the Cottle County boundaries.

The costs of appraisal district operations are shared by the various taxing entities participating in the District. Each entity's allocation is based on its tax levy relative to total tax levy of all the participating taxing entities. Payments are due before the first day of each calendar quarter.

A majority of the taxing entities entitled to vote in the selection of the Board of Directors (hereafter referred to as Board) have the authority to veto the District's budget and any other action of the Board of Directors.

### **II. ETHICS POLICY**

It is the policy of the District that the officers and employees of the district are independent, impartial, and responsible to the taxpayers of the Cottle County; that public office or employment is not 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.

#### **A. STANDARDS OF CONDUCT**

1. Members of the Board shall have authority only when acting as a board legally in session. The Board shall not be bound in any way by statement or action on the part of any individual member except when such statement or action is in pursuance of specific instructions of the Board.
2. A member of the Board 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.
3. 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.

4. A member or employee shall not use his official capacity with the District to secure a privilege, consideration, or exemption for himself or others, or to secure confidential information for any purpose other than official responsibilities.
5. 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.
6. Every employee shall file an affidavit of ownership (or interest) for property subject to appraisal by the District. The affidavit is to be filed by April 1 to reflect December 31 ownership or interest.
7. 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.
8. An employee shall not participate in the appraisal of property in which he has an interest (to include ownership, lien holder, or any other interest). The employee shall refer such property directly to the Chief Appraiser.
9. 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.

**B. CONFLICT OF INTEREST**

1. An employee shall not engage in any activity or employment outside of the appraisal office if such engagement adversely affects his impartiality in the execution of his official duties or adversely affects the performance of his official duties.
2. An employee shall not serve as a tax agent or appraiser for any party; by serving that party for any form of compensation or any benefit through the collection of data, appraisal of property, presentations, argument, appearances or other exercise of influence in the property tax system, unless such service does not involve properties in the purview of the appraisal district.

**C. COMPLIANCE**

1. A member of the Board who violates any requirement of this policy shall be subject to review and action by the appointing authority.
2. A member of the Appraisal Review Board who violates any requirement of this policy shall be subject to review and action by the Board.
3. An employee who violates any requirement of this policy shall be subject to review and action by the Chief Appraiser.

## **POLICY STATEMENT ON REAPPRAISALS**

It is the policy of the District to reappraise all taxable property in the most recent Reappraisal Plan per Section 6.05(i) of the Tax code. The Chief Appraiser will establish and present to the Board a two-year Reappraisal Plan in every even numbered year, setting out plans to conduct all appraisal activity.

## **POLICY STATEMENT ON EQUAL EMPLOYMENT OPPORTUNITY**

It is the policy of the District to recruit, employ and provide compensation, promotions, 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 decisions shall be made only on the basis of 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 the District is a fact as well as an ideal.

## **POLICY STATEMENT ON HARASSMENT**

### **Purpose**

The purpose of this policy is to inform all employees that harassment in the workplace is strictly prohibited, especially when such conduct is based on gender, race, color, religion, national origin, age disability, or any other unlawful basis.

### **Examples**

Examples of prohibited harassment include, but are not limited to:

- Use of slurs, epithets, and words that degrade an individual or group of individuals, even when used in a joking manner;
- Unwelcome advances, demands, or requests for sexual acts or favors, and other verbal or physical conduct of an offensive nature;
- Display of cartoons, photographs, drawings, or images that are offensive or degrading to others;
- The conduct has the purpose or effect of substantially interfering with an employee's work performance or which creates an intimidating, hostile, or offensive work environment;
- Conditioning hire, continued employment, or terms and conditions of employment upon submission to sexual advances or requests for sexual favors.

### **Responsibilities**

The District is committed to a work place free of harassment. Prevention is the most effective tool for eliminating this behavior. 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.

All District personnel are responsible for immediately reporting acts of harassment to their immediate supervisor or the Chief Appraiser. Failure to report such conduct may result in a reprimand, depending on the action in accordance with the disciplinary procedures established in the district personnel policies.

### **POLICY STATEMENT ON ACCESS TO THE DISABLED**

In accordance with the Elimination of Architectural Barriers Act of Texas, the appraisal district building is architecturally designed to allow access by physically handicapped citizens. Citizens in need of assistance in accessing meetings of the Board of Directors or Appraisal Review Board are encouraged to contact the appraisal office in advance of their presentations so that they may be assisted.

### **III. ELIGIBILITY & RESPONSIBILITIES**

A board of five (5) directors governs the District. Board members must meet the following eligibility requirements, as well as any additional requirements set in the Tax Code or the Comptroller's publication Appraisal District Director's Manual.

- \* To be eligible to serve on the Board, an individual must be a resident of the district and must have resided in the district for at least two years immediately preceding the date of appointment.
- An employee of a taxing entity participating in the appraisal district is not eligible to serve unless the individual is also a member of the governing body or an elected official of a taxing unit participating in the appraisal district.
- Section 6.035 of the Tax Code bars a board member from serving if the member is related to a person who operates for compensation as a tax agent or a property tax appraiser in the appraisal district.
- Section 6.035 of the Tax Code bars a board member from serving if they contract with the appraisal district, or if they contract on a tax-related matter with a taxing entity served by the appraisal district, or if they have a substantial interest in a business that contracts with the appraisal district or a taxing entity served by the appraisal district.
- Owing delinquent property taxes disqualifies a person from serving on the CAD Board, Appraisal Review Board, or as Chief Appraiser. Disqualification takes place when a person owns property on which delinquent taxes have been owed for more than sixty (60) days after the date the person knew or should have known of the delinquency. This disqualification does not apply if the person is paying the delinquent taxes under an installment payment agreement or has deferred or abated a suit to collect the delinquent taxes.

#### **Selection**

Section 6.03 of the Tax Code establishes the selection process for Appraisal District Directors. Members of the Board are selected by certain taxing entities participating in

the district. An option of the Tax Code (Section 6.031) allows three-fourths (3/4) of the voting entities to increase the number of directors, or change the method or procedure for appointing the members. Code Section 6.034 also allows for optional staggered terms. The taxing units of Cottle County adopted a five (5) member Board of Directors without staggered terms. In 2009, the District held an election as set out in Section 6.03 of the Tax Code.

Section 6.03 of the Tax Code was amended to provide that if the county assessor-collector is not appointed to the board, the county assessor-collector serves as a non-voting director. However, Section 6.03 of the Tax Code further states that the county assessor-collector is ineligible to serve if the board enters into a contract under Section 6.05(b) or if the commissioners' court of the county enters into a contract under Section 6.24(b). In Cottle County Appraisal District, the county assessor-collector does not serve as a non-voting member.

### **Term of Office**

Members of the Board of Directors will serve two-year terms with five (5) members serving. The elections shall be held in odd-numbered years to be effective on January 1 of the next even-numbered year.

### **Vacancies on the Board**

Section 6.03 (L) of the Tax Code provides that in the event of a vacancy on the Board, other than a vacancy in the position held by a county assessor-collector serving as a nonvoting director, each taxing unit that is entitled to vote may nominate by resolution adopted by its governing body a candidate to fill the vacancy. The unit shall submit the name of its nominee to the chief appraiser within 45 days after notification from the board of directors of the existence of the vacancy, and the chief appraiser shall prepare and deliver to the board of directors within the next five (5) days a list of the nominees. The board of directors shall elect by majority vote of its members one of the nominees to fill the vacancy.

### **Recall**

Section 6.033 of the Tax Code provides that the governing body of a taxing unit may call for the recall of a member of the board of directors of an appraisal district appointed under Section 6.03 of the Tax Code for whom the unit cast any of its votes in the appointment of the board.

### **Officers of the Board**

The officers of the Board shall consist of a chairman, vice-chairman, and secretary, who shall be selected by majority vote at the first regular 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 chairman shall include:

- Presiding at Board meetings.
- Appointing committee members unless otherwise instructed by the Board.
- Signing all legal instruments requiring Board signature.

- Performing legal duties as required by state statute.
- Review requests for approval of checks over \$5,000, in the absence of the Board secretary, and provide written confirmation of said approval.
- Any other functions as designated by the Board of Directors.

The chairman may vote on any matter coming before the Board of Directors except as prohibited by statute.

The duties of the vice-chairman shall include:

- Presiding at meetings in absence of the chairman.
- In the absence of the chairman, the signing of all legal instruments requiring Board signature.
- Any other functions as designated by the Board of Directors.

The duties of the secretary shall include:

- Presiding at meetings in the absence of both the chairman and vice-chairman.
- Meeting statutory notice requirements, i.e., delivering written notice to the presiding office of the governing body of each taxing entity participating the district of the date, time, and place for the public hearing to consider the district budget.
- Review requests for approval of District checks over \$5,000 and provide written confirmation of said approval.

### **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 appraisal district located at County Commissioners Courtroom, Paducah Texas unless a different location is designated by Board action and in the notice of meeting. Meeting shall start promptly at the appointed hour or as soon thereafter as a quorum is present.

Notices of meetings shall be posted as required by law. No business shall be transacted at the meeting except that for which the meeting is called.

A majority of the members of the Board shall constitute a quorum for the transaction of official business. Three board members constitute a quorum.

An agenda packet outlining the agenda and providing support information shall be prepared by the Chief Appraiser or a designated employee and shall be mailed or delivered to the members prior to each regular meeting. The packet shall include the minutes of the previous meeting.

The Board, as a first order of business, shall approve the minutes of the previous meeting.

The Chief Appraiser shall hold the official minutes of all meetings.

### **Citizen Communication**

The agenda for the order of business for all regular meetings shall include an agenda item to allow for communications from citizens on any issue within the authority of the Board. The Board shall allow a reasonable amount of time for citizen communications as determined by the chairman.

Citizens who do not speak English or are hearing impaired are encouraged to contact the taxpayer liaison officer or chief appraiser in advance of their presentation so that arrangements can be made to provide a professional interpreter. The taxpayer liaison officer or chief appraiser shall respond to all requests for a professional interpreter if time permits. When time does not permit the scheduling and **attendance of an interpreter**, the liaison officer or chief appraiser will make every effort to fully assist the citizen to properly convey his communication to the Board.

### **Public Information Requests**

The Chief Appraiser or a designated employee shall function as the **public information officer**. Said officer, according to the laws governing the Information Act, shall handle all public information requests. This includes, but is not limited to: retrieving, copying, and providing copies of requested documentation, or making them available for review, and determining the cost of providing such documentation. The public information officer will be informed of and adhere to all laws governing public information requests and the timely response required in executing such requests, treating all such requests in a uniform and equal manner.

### **Authority and Functions**

The Board shall establish general policies in keeping with the requirements of state law. Members of the Board shall have authority only when acting as a Board legally in session. The Board shall not be bound in any way by any statement or action on the part of any individual member except when such statement or action is in pursuance of specific instructions of the Board.

The statutory responsibilities of the Board include:

- A. The establishment of an appraisal office (section 6.06 of the Tax Code). The administrative offices of the District shall be located at 9<sup>th</sup> and Richards in the Cottle County Courthouse, 1<sup>st</sup> Floor, Paducah, TX 79248
- B. The appointment of the Chief Appraiser (Section 6.05 of the Tax Code).
- C. Approval of the budget (Section 6.06 of the Tax Code). The Board shall consider and adopt an annual budget by September 15<sup>th</sup> of each year. The budget may not be adopted until written notice is given to the taxing entities and the Board has conducted a public hearing on the proposed budget.

The Chief Appraiser shall prepare the budget and present it to the Board and interested parties as a preliminary budget. This preliminary budget will be sent to all taxing entities for their review. Based on changes to the preliminary budget as approved by the Board, the Chief Appraiser shall prepare the budget and present it for final Board approval as required by statute. After the budget is approved and implemented, budget transfers from one line item to another line item account that exceed \$5,000 will require Board approval. In any case, the Board will be advised of all line item transfers. Total expenditure overruns, regardless of amount, will require Board approval.

The Board may amend the approved operating budget after giving notice to taxing units. If the total amount of payments made by taxing entities exceeds the amount actually spent during the fiscal year for which the payments were made, the Board will vote to: (1) designate the funds for future expenditures, or (2) credit the excess amount against each taxing unit's allocated payments for the following year in proportion to the amount of each entity's budget allocation for the fiscal year for which the payments were made. If the Board votes to make credit adjustments, they will be made upon completion and acceptance of the audit for the fiscal year for which the payments were made.

- D. Annual financial audit (Section 6.063 of the Tax Code). The Board shall contract for an annual audit by an independent certified public accountant. A copy of an audit report shall be delivered to the presiding officers of all taxing entities participating in the District.
- E. In accordance with Section 6.05 of the Tax Code, to ensure adherence with generally accepted appraisal practices, the Board of Directors shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 of the Tax Code, and shall hold a public hearing to consider the proposed plan. Not later than September 15<sup>th</sup> of each even numbered year, the board shall complete its hearings, make any adjustments, and by resolution finally approve a plan.
- F. Designation of depository – Pursuant to Section 6.09 of the Tax Code, the Board shall solicit bids for the district depository at least once every two years and shall designate the financial institution(s) that offer the most favorable terms and conditions for the handling of district funds. Funds must be secured in the manner provided by law. Funds may be invested in accordance with Government Code Chapter 2256, which addresses authorized investments for Texas governmental entities. The Board and the Depository may agree to extend a depository contract for one additional two-year period.

Funds to be invested in:

- a. Fully collateralized Certificates of Deposit as defined within the Bank Depository Contract,
- b. Fully insured Certificates of Deposit,
- c. Obligations of the United States government, its agencies and instrumentalities and,
- d. Direct obligations of the State of Texas or its agencies,
- e. Insured certificates of deposit are to be insured by the FDIC or appropriate private insurance coverage as specified on certificates in excess of \$100,000.

All such investments without regard to type shall be consistent with State and Federal laws pertaining to the investment of public funds.

The Board shall appoint a public funds investment officer. This officer may be the Chief Appraiser or an employee of the District and shall insure that funds for education as required by the Tax code are included in the budget.

**G. Appointment of the Appraisal Review Board** according to Chapter 6, Subchapter C, Tax Code) – The Appraisal Review Board will consist of three (3) regular members who will serve two (2) year staggered terms. No individual can serve more than three (3) consecutive terms on the Appraisal Review Board. The Appraisal Review Board conducts meetings and hearings in the Cottle County Appraisal District meeting room.

The Board, in its selection process, will strive to make the Appraisal Review Board (hereafter referred to as the ARB) a body representative of all areas and population of the county. Selection of members will be based solely on qualifications and the judgment of the Board that the persons selected will make good review board members.

The Board shall make nominations in a regular scheduled meeting. The Board chair (or the chief appraiser, if directed by the Board) shall personally contact candidates to advise them on the requirements of the position, time commitments, payment policies, and impact of their ARB decisions. Candidates should be informed that the Committee's recommendations are subject to the approval of the Board based solely on candidate qualifications and the judgment of the Board as stated above.

- H. Appraisal contracts (Section 25.01 of the Tax Code) – The Board shall review and approve contracts between the appraisal district and private appraisal firms to perform appraisal services for the District.
- I. Purchasing and Contracting Authority (Section 6.11 of the Tax Code) – Subsection (a) states: An appraisal district is subject to the same

requirements and has the same purchasing and contracting authority as a municipality under Chapter 252 Local Government Code. Further requirements and information can be found in the Purchasing Manual, which is attached by reference.

- J. Complaints – Written complaints that involve issues that are within the authority of the Board are to be considered by the Board or its designee, the taxpayer liaison officer.

Under such time as written complaints are resolved or a final determination is established, the taxpayer liaison officer shall report the status of such complaints to the parties involved in the complaint at least quarterly, as required by law. The Board shall designate a taxpayer liaison officer to resolve disputes involving matters other than those that may be protested to the ARB. A report will be presented at each Board meeting concerning the status of any written complaints filed with the Board.

- K. Records Management – The Board 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.

- L. Other statutory duties – The Board shall perform other duties as specified by state statutes. In addition to the specific statutory duties that are described above, the Board shall:
  - a. Require and evaluate reports by the Chief Appraiser concerning the operations and financial status of the District.
  - b. Yearly evaluate the performance of the Chief Appraiser and review his/her contract.
  - c. Require the development of District policies for the sound financial management of District funds. The Board shall adopt by official action an Investment Policy in accordance with Chapter 6 of the Texas Property Tax Code, Sections 2256.003 through 2256.006 et seq of the Government Code, Article 2529, Article 2544, Article 2546, Article 2546a, Article 2548a, Article 2549 and Article 2558 of Vernon’s Ann. Civ. St.
  - d. The Board shall implement a fixed asset capitalization policy whereby property purchases and major repairs and renewals costing in excess of \$1,000 are capitalized and those costing less than \$1,000 are expensed.
  - e. The policy of the Board is to require written approval (written approval includes faxes, e-mails, etc.) from the Board secretary or Board chair in the absence of the secretary) on all checks over \$5,000.
  - f. The Board chair shall establish and periodically review a fund reserve for contingency in the amount of ten (10) to fifteen (15)

- percent of the District's annual budget.
- g. In the event the District's functions are assumed by a different agency or the District ceases to operate as an independent agency for any reason, the Board shall allocate assets of the District toward securing the unfunded liability of the District's Texas County & District Retirement System plan.
- h. Assist in presenting to the public the needs and progress of the District.
- i. Consider and act on policies for the District. Such policies may be initiated by the Chief Appraiser or by members of the Board.
- j. Select District legal counsel and authorize appropriate compensation from the District budget.
- k. Approve all contracts as required by law.
- l. Perform other duties as required to govern the District as permitted by law.

#### **IV. DISTRICT ADMINISTRATION**

**The Chief Appraiser is** the chief administrative officer of the appraisal district office.

The Board of Directors appoints the Chief Appraiser. The Chief Appraiser is directly accountable to the Board for the effective discharge of all duties and responsibilities. All other personnel are employed by and accountable to the Chief Appraiser. The chief Appraiser may delegate authority to subordinate employees.

##### **Duties & Responsibilities**

The Chief Appraiser coordinates and implements the goals and objectives established by Board policy, provisions of the 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 the administration of the appraisal office. Additionally, the Chief Appraiser is assigned duties by the Board necessary for the conduct of Board duties and implementation of Board policy. The Chief Appraiser shall:

- A. Establish a comprehensive program for the conduct of all appraisal activities and keep the Board informed on the progress of appraisal activities.
- B. Develop and implement sound administrative procedures for the conduct of all District functions.
- C. Develop and implement an effective financial management system and provide reports to the Board to allow evaluation of the District's fiscal affairs.
- D. Develop and implement an effective internal budget development system and prepare a proposed budget by June 15 of each year.
- E. Serve as the District's spokesperson in providing information to news media, taxing entities, and the general public on the operations of the District and provisions of the property tax laws.
- F. Prepare the agenda for each Board meeting, attend all meetings, and provide staff recommendations for all appropriate Board actions.

- G. In consultation with the District legal counsel, provide information on litigation matters.
- H. Develop and implement a personnel management system for job assignments, personnel evaluations, staff hiring, periodic salary surveys and classification studies, and other personnel related matters.
- I. Employ and compensate professional, clerical, and other personnel as provided by the budget.
- J. In accordance with Section 6.12 (a) of the Tax Code, the Chief Appraiser shall appoint, with the advice and consent of the Board, an Agricultural Advisory Board.
- K. Review adjustments or changes involving properties of employees of the District.

## **V. APPRAISAL REVIEW BOARD**

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

### **Selection**

The Board appoints members of the Appraisal Review Board.

### **Eligibility**

To serve on the Appraisal Review 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 Board of Directors, an officer or employee of the Office of the Comptroller, the District, or a taxing entity is ineligible to serve. In order to serve, members must meet all eligibility requirements set out by the Tax Code and outlined in the Appraisal Review Board Manual published by the Office of the Comptroller.

Effective September 1, 2001, Section 6.035 of the Tax Code was amended to provide that an individual is ineligible to serve as an ARB member if the individual owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless:

- A. the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or
- B. a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065.

### **Term of Office**

Members shall serve two-year, staggered terms. No individual may be appointed for more than three consecutive terms.

### **Compensation**

ARB members shall receive a per diem as provided by the annual District budget.

**Duties & Responsibilities**

The ARB is responsible by statute for the review of appraisal records and the hearing and determination of taxpayer 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 ARB, as part of its annual review, shall review and approve the values of those properties owned by employees of the District.

The ARB must adopt rules of procedure and post and provide those rules according to the requirements of the Tax code.

## AMENDMENTS