

# *Milam Appraisal District*

## *Board of Director's Policy Manual*

*Amended  
January 23, 2020*





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### ***Mission Statement***

We consider it a privilege to provide the taxpayers and the taxing units with the highest quality of customer service and appraisal data. We strive to maintain continued excellence in our performance, continued growth in education, and fiscal responsibilities. We will administer the Texas Property Tax Code in a fair and uniform manner. We will promote the ideals of government transparency.

### ***General Information***

The Milam Appraisal District (hereafter referred to as District) is a political subdivision of the State of Texas created pursuant to Subtitle B, Chapter 6, Subchapter A of the Tax Code. Its boundaries are the same as the Milam County boundaries. A portion of Bartlett ISD, Holland ISD, Lexington ISD, Rogers ISD and Rosebud/Lott ISD are located within the boundaries of Milam County and they are appraised by Milam Appraisal District. Bartlett, Holland, and Rogers are Bell collection. Lexington is Lee collection. Rosebud/Lott is Falls collection.

### ***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 Milam 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.

#### **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 position with the District to secure a special privilege, consideration, or exemption for himself or others, or to secure confidential information for any purpose other than official responsibilities.
- 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 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.

### **Conflicts 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.
- 3) A Board member or chief appraiser under Chapter 176 of the Local Government Code may be required to file a statement when certain persons or the persons' agents contract or seek to contract for the sale or purchase of property, goods, or services with the appraisal district. The statement must be filed if these persons have (1) employment or business relationship with directors or family members of the director that results in their receiving taxable income; or (2) given a gift with a value of more than \$250 in a 12-month period preceding the date of contract execution or consideration. The family member is a person within the first degree by consanguinity or affinity. The statement must be filed with the Chief Appraiser within 7 days of directors becoming aware of the relationships and contracts.

The statement is prescribed by the Texas Ethics Commission and is available on their website. The Board member or Chief Appraiser must abstain from voting or participating in discussions on any issue involving substantial interest.

### **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) A Chief Appraiser who violates any requirement of this policy shall be subject to review and action by the Board.

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

## **Governance – Board of Directors**

### **Composition**

The appraisal district is governed by a board of directors. Five directors are appointed by the taxing units that participate in the district as provided by Property Tax Code §6.03(a). The county tax assessor-collector (TAC) serves as a nonvoting director.

### **Eligibility**

To be eligible to serve on the board of directors, an individual other than a TAC serving as a nonvoting director must be a resident of the district and have resided in the district for at least two years immediately preceding the date the individual takes office. 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.

Restrictions on eligibility include the following:

- An individual is ineligible to serve on an appraisal district board of directors if the individual is related within the second degree by consanguinity or affinity [*see chart in glossary*], as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under Property Tax Code or of representing property owners for compensation in proceedings in the appraisal district; or
- 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:
  - The delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02 of the Property Tax Code, or
  - A suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065 of the Property Tax Code.
- An individual is ineligible to serve on an appraisal district board of directors if the individual has engaged in the business of appraising property for compensation for use in proceedings under Property Tax Code or of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding five years.
- An individual is ineligible to be appointed to or to serve on the board of directors if an individual has a substantial interest in a business entity that is party to a contract or the individual is a party to a contract with the appraisal district. This prohibition also applies to contracts with a taxing unit that participates in the appraisal district if the contract relates to the performance of an activity governed by the Tax Code. An appraisal district may not enter into a contract with a board member or with a business entity in which a board member has a substantial interest. A taxing unit may not enter into a contract relating to the performance of

an activity governed by the Tax Code with a board member in which the taxing unit participates or with a business entity in which a board member has a substantial interest.

### ***Term of Office***

Members of the board of directors other than a TAC serving as a nonvoting director serve two-year terms beginning on January 1 of even-numbered years.

### ***Selection***

Property Tax Code §6.03 establishes the selection process for Appraisal District Directors. Taxing units – counties, cities/towns, school districts, junior colleges and certain conservation and reclamation districts – select directors in the fall of odd-numbered years. The board of directors is selected by appointment; it is not an election governed by the Texas Election Code. The method or procedure for appointing members can be changed by the board of directors or by three-fourths of the voting taxing units acting through resolutions.

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

The Chief Appraiser must prepare a ballot before October 30<sup>th</sup> with candidates whose names were timely submitted, including the nominee of conservation and reclamation districts if applicable. The ballot should list the candidates alphabetically by last name. Each taxing unit entitled to vote must determine its vote by resolution and submit it to the Chief Appraiser before December 15<sup>th</sup>. The five candidates who receive the largest cumulative vote totals become the board of directors. The Chief Appraiser announces the new directors before December 31<sup>st</sup>. Ties must be resolved by the Chief Appraiser by any method of chance.

### ***Vacancy***

If a vacancy occurs on the board, each voting taxing unit nominates by resolution a candidate to fill the vacancy. Within 45 days after receiving notice from the board of directors that a vacancy exists, a taxing unit must submit the nomination to the Chief Appraiser. The Chief Appraiser delivers a list of the nominees to the directors within the next five days. Directors select by majority vote one of the nominees to fill the vacancy.

### ***Recall***

A taxing unit may ask for the recall of any director the taxing unit voted for in the appointment process. A recall starts when a taxing unit files a resolution with the Chief Appraiser stating that the taxing unit is calling for the recall of a named member.

### ***Oath of Office***

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

### **Officers**

The Board shall meet in January of each year and organize by electing a member to serve as Chair, Vice-Chair, and Secretary. A non-voting tax assessor-collector (TAC) may serve as a Board officer. The previous Chair shall call the meeting to order and call for nominations for Chair after all directors have taken the Oath of Office.

The duties of the **Chair** shall include the following:

- Presiding at all board meetings;
- Sign all legal instruments requiring Board signature;
- Perform legal duties as required by statute, and functions as designated by the Board; and
- Vote on any matter coming before the Board except as prohibited by statute.

The duties of the **Vice-Chair** include the following:

- Perform duties of the Chair in the absence of the Chair;
- Sign all legal instruments as prescribed by the Board; and
- Perform legal duties as required by statute, and functions as designated by the Board.

The duties of the **Secretary** shall include the following:

- Perform duties of the Chair in the absence of the Chair and Vice-Chair;
- Sign all legal instruments as prescribed by the Board; and
- Perform legal duties as required by statute, and functions as designated by the Board.

### **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**

The Board shall meet regularly on the **fourth (4<sup>th</sup>) Thursday of each month at 8:30 a.m.** in the conference room at the Appraisal District office in Cameron, Texas. A different location may be designated by Board action and shall be included in the posting of the agenda for the meeting.

The Board may by majority vote change the day, time and/or location of the meetings. The Chair of the Board may cancel a regular meeting when the Board has no business to consider. The Board may meet at any time at the call of the Chair or as provided by Board rule. However, the Board must meet at least once each calendar quarter.

Special meetings or emergency meetings may be called by the Chair. 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 board of directors constitutes a quorum. A TAC who is a nonvoting member is counted in determining the presence of a quorum.



Meetings shall be conducted in conformity to Roberts Rules of Order Revised unless otherwise directed by Board policy.

The Board shall have the authority to hold a closed or executive session without public admittance consistent with the requirements of law.

An agenda packet outlining the agenda and providing support information shall be prepared by the Chief Appraiser and e-mailed, mailed and/or delivered to the Directors at least seventy-two (72) hours before the time of the next regular meeting. The packet shall include the minutes of the previous regular meeting. All minutes of the board meetings shall be approved by the Board and signed by two attending members of the Board. The approved minutes shall be kept by the Chief Appraiser in the office of the Appraisal District. Agendas, agenda packets, and approved minutes will be kept in accordance with the approved Records Management Plan.

A digital recording of all meetings shall be on file in the District office until the minutes of the said meeting is approved by the Board or 90 days, whichever is later.

### ***Citizen Participation***

It shall be the policy of the Board to allow opportunities for the public to speak to the Board on any issue under its jurisdiction. The agenda for the order of business for all meetings shall include an item to allow citizen's communication. A time limit will be specified on the agenda for the meeting. The time limit may be adjusted at the discretion of the Board.

The Board shall provide reasonable access to the Board for a person who does not speak English or who has a physical, mental, or development disability.

Citizens will not be permitted to enter into discussion or debate as other agenda items are being considered by the Board. *[See Section II. Public Access to the Board of Directors for additional information]*

### ***Restricted (Ex Parte) Communications***

A board member commits a Class C misdemeanor offense if the member directly or indirectly communicates with the chief appraiser on any matter relating to the appraisal of property unless the communication occurs in:

- An open meeting of the Board or another public forum; or
- A closed meeting of the Board held to consult with its attorney about pending litigation.

These provisions do not apply to a routine communication between the Chief Appraiser and the TAC relating to administrative functions.

### ***Authority & 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** (Property Tax Code §6.05). The administrative offices of the District shall be located at 120 N. Houston Ave, Cameron, Texas.
- B. The **appointment of the chief appraiser** (Property Tax Code §6.05). The chief appraiser is the chief administrator of the appraisal office. The chief appraiser is appointed by and serves at the pleasure of the appraisal district board of directors. To be eligible to be appointed or serve as a chief appraiser, a person must be certified as a registered professional appraiser under Section 1151.160, Occupations Code, possess an MAI professional designation from the Appraisal Institute, or possess an Assessment Administration Specialist (AAS), Certified Assessment Evaluator (CAE), or Residential Evaluation Specialist (RES) professional designation from the International Association of Assessing Officers. A person who is eligible to be appointed or serve as a chief appraiser by having a professional designation described by this subsection must become certified as a registered professional appraiser under Section 1151.160, Occupations Code, not later than the fifth anniversary of the date the person is appointed or begins to serve as chief appraiser. A chief appraiser who is not eligible to be appointed or serve as chief appraiser may not perform an action authorized or required by law to be performed by a chief appraiser, including the preparation, certification, or submission of any part of the appraisal roll. Not later than January 1 of each year, a chief appraiser shall notify the comptroller in writing that the chief appraiser is either eligible to be appointed or serve as the chief appraiser or not eligible to be appointed or serve as the chief appraiser.

Additional restrictions on eligibility to serve as chief appraiser includes owning 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:

- The delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02 of the Property Tax Code, or
- A suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065 of the Property Tax Code.

The chief appraiser may not employ any individual related to a member of the board of directors within the second degree by affinity or within the third degree by consanguinity, as determined under Chapter 573, Government Code. The chief appraiser is an officer of the appraisal district for purposes of the nepotism law, Chapter 573, Government Code. An appraisal district may not employ or contract with an individual or the spouse of an individual who is related to the chief appraiser within the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code.

The Board shall evaluate the chief appraiser in executive session on an annual basis.

In accordance with Property Tax Code 25.25(b) and Board Rule on April 19, 2018, the Chief Appraiser may make corrections to property records for which the District

failed to enter data or make changes that should have been entered prior to certification or error that occurred as result of staff error or system failure.

*[See Section III. District Administration for additional information]*

- C. **Approval of the budget** (Property Tax Code §6.06). 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, taxing entities and other interested parties as a preliminary budget at a budget workshop. Additional budget workshops should be held until the proposed budget is ready for delivery to the taxing entities and the Board of Directors, not later than June 15<sup>th</sup>. The Secretary of the Board shall deliver to the presiding officer of the governing body of each taxing unit participating in the District, not later than the 10<sup>th</sup> day before the date of the hearing a written notice of the date, time and place fixed for the hearing. The Board of Directors shall hold a public hearing to consider the budget. The Board shall complete its hearings, make any amendments to the proposed budget it desires, and finally approve a budget before September 15<sup>th</sup>.

A majority of the taxing entities entitled to vote in the selection of the Board of Directors have the authority to veto the District's budget. To do so, the taxing entity must file resolution to veto with the secretary of the Board within 30 days after the adoption of the budget. If a majority of the voting taxing units veto the budget, a new budget must be adopted within 30 days.

After the budget is approved and implemented, budget transfers that exceed \$5,000 from one line item account to another line item account will require Board approval. In any case the Board will be advised of all line item transfers. Total expenditure overruns, regardless of the amount, will require Board approval.

The Board shall amend the budget if necessary, but must deliver a written copy of the proposed amendment to the taxing entities not later than the 30<sup>th</sup> day before the date the Board acts on it. A budget amendment is necessary when transferring funds between categories (e.g. Personnel, Supplies, Maintenance, Capital, etc.). 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; 2) obligate surplus funds to a fund reserve for contingency; or 3) credit the excess amount against each taxing entity'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.

Each taxing unit participating in the District is allocated a portion of the budget equal to the proportion that the taxing unit's levy bears to the sum of all levies collected in the District. For example, if a taxing unit's levy is 30% of the total levy collected in the District, that taxing unit would pay 30% of the District's budget.

Unless the governing body of a taxing unit and the chief appraiser agree to a different method of payment, each taxing unit shall pay its allocated portion of the budget in four equal payments to be made at the end of each calendar quarter. The first payment shall be made before January 1 of the year in which the budget takes effect. A payment is delinquent if not paid on the date it is due. A delinquent payment incurs a penalty of 5 percent of the amount of the payment and accrues interest at an annual rate of 10 percent. The Board may waive penalty and interest for good cause shown by the taxing unit.

Payments are deposited with the depository selected by the Board of Directors. Checks are to be signed only by the individuals allowed by Board resolution. The Board shall select the Chief Appraiser, the Business Manager, the Secretary of the Board and one other Board member as signatories. Two signatures are required on all checks. The Chief Appraiser and Business Manager have been given authority by the Board to sign all checks. If either of them is unable or unavailable to sign, the Board Secretary and/or other allowed signatory may sign.

- D. **Annual financial audit** (Property Tax Code §6.063). 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 Property Tax Code §6.05, 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 Property Tax Code §25.18, 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 approve a plan by resolution.

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

- F. **Designation of depository** (Property Tax Code §6.09). 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 investment for Texas governmental entities. The Board and the Depository may agree to extend a depository contract for one additional two-year period. *[See separate Investment Policy as approved by Board annually]*
- G. **Appointment of the Appraisal Review Board (ARB)** – Property Tax Code §6.41 – 6.43. There is an ARB for each appraisal district. **The ARB consists of three members.** However, the district 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 considers appropriate.

The Board will appoint two members for a two-year period beginning January 1<sup>st</sup> of even-numbered years and one member for a two-year term beginning January 1<sup>st</sup> of odd-numbered years. The Board may select to advertise for qualified person for ARB appointment. Prospective members shall complete and submit an application form available at the Appraisal District office.

The local administrative district judge shall select a chairman and a secretary from among the ARB members annually.

Each year, the Board of Directors shall appoint a temporary member to a term of one year as needed to assure ARB hearing(s) are in compliance with Property Tax Code. A temporary ARB member replaces an ARB member who may not participate in a protest hearing because that ARB member communicated with another person(s) about a protest outside an ARB hearing in violation of Tax Code Section 41.66(f).

- H. **Appraisal contracts** (Property Tax Code §25.01). The Board shall review and approve contracts between the appraisal district and private appraisal firms to perform appraisal services for the District.

A list of contracts, with expirations, will be reviewed by the Board at least annually.

- I. **Purchasing and Contracting Authority** (Property Tax Code §6.11). An appraisal district is subject to the same requirements and has the same purchasing and contracting authority as a municipality under Chapter 252, Local Government Code.

Section 252.021 of the Local Government Code states: (a) before a municipality may enter into a contract that requires an expenditure of more than \$50,000 from one or more municipal funds, the municipality must:

- 1) Comply with the procedure prescribed by this subchapter and subchapter C for competitive sealed bidding or competitive sealed proposals;
- 2) Use the reverse auction procedure, as defined by Section 2155.062(d), Government Code for purchasing; or
- 3) Comply with a method described by Subchapter H or J, Chapter 271.

The Board shall sign any contract for expenditure exceeding \$10,000.

Per Section 176.006 of the Local Government Code, it is the policy of this Board to require vendors or other persons to file a CONFLICT OF INTEREST QUESTIONNAIRE with the Chief Appraiser not later than the seventh business day after the beginning discussions or negotiations to enter into a contract with the appraisal district or submits to the appraisal district a response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the appraisal district.

- J. **Appointment of Agricultural Advisory Board** (Property Tax Code § 6.12). The Chief Appraiser, with the advice and consent of the Board of Directors, shall appoint an agricultural advisory board to advise the Chief Appraiser on the valuation and use of agricultural land.

The advisory board must consist of three or more members. The agricultural advisory board members must be landowners of the district whose land qualifies for appraisal under Subchapter C, D, E, or H, Chapter 23 of the Property Tax Code, and who have been residents of the district for at least five years. Members of the board serve for staggered terms of two years. Appraisal district officers and employees are ineligible to serve. The advisory board shall meet at the call of the Chief Appraiser at least once per year. A member of the agricultural advisory board is not entitled to compensation.

- K. **Records Management** – Pursuant to Local Government Code §203.041(a)(2), the records management officer, in lieu of filing a records control schedule, may file with the director and librarian a written certification of compliance that the local government or the elective county office has adopted records control schedules that comply with the minimum requirements established on records retention schedules issued by the Texas State Library and Archives Commission.

The Texas State Library has accepted the Declaration of Compliance that declares that the Milam Appraisal District records control schedules will comply with Schedule GR (Records Common to All Governments) and Schedule TX (Records of Property Taxation).

The Chief Appraiser shall serve as the 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 specific statutory duties that are described above, the Board shall:

- 1) Require and evaluate reports by the Chief Appraiser concerning the operations and financial status of the District.
- 2) Require the development and adoption of District policies for the sound financial management of District funds. The Board of Directors shall adopt by official action an Investment Policy in accordance with Chapter 6 of the Property Tax Code and other applicable state laws.
- 3) The Board shall implement a fixed asset capitalization policy whereby property purchases and major repairs and renewals in excess of \$1,000 are capitalized and those costing less than \$1,000 are expensed.
- 4) The policy of the Board is to require written approval (written approval includes fax, email, etc.) from the Board secretary (or Board chair in the absence of the secretary) on all travel, checks, and/or reimbursement forms for the chief appraiser.

- 5) The Board shall establish and periodically review a fund reserve for contingency in the amount of not less than five (5) to not more than ten (10) percent of the District's annual expenditure budget.
- 6) Assist in presenting to the public the needs and progress of the District.
- 7) Consider and act on policies for the District. Such policies may be initiated by the Chief Appraiser or by members of the Board.
- 8) Select District legal counsel and authorize appropriate compensation from the District budget.
- 9) Perform other duties as required to govern the District as permitted by law.

### ***Disapproval of Board Actions***

Under Tax Code 6.10, a majority of the taxing units may veto any action by the Board of Directors. This disapproval power under Tax Code 6.10 does not apply to the adoption of the budget.

To veto a Board action other than the budget, the governing bodies of a majority of voting taxing units must adopt resolutions disapproving the action. The voting taxing units must file the resolutions with the Board within 15 days after the action is taken. The Board action is revoked effective the day after the day on which the required number of resolutions is filed.

### ***Public Access to the Board of Directors***

#### ***Who May Address the Board***

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

- A. Adopting the district's annual operating budget;
- B. Contracting for necessary services;
- C. Hiring the chief appraiser and assigning responsibilities to the position;
- D. Adopting general policies regarding the operation of the appraisal district;
- E. Appointing Appraisal Review Board members.

### ***Speaking at a Board Meeting***

At each meeting, the Board of Directors invites comments from the public about the policies and procedures of the Appraisal District and the Appraisal Review Board and about other matters within the Board's jurisdiction. Comments are limited to three (3) minutes. **No discussion or final action will be taken by the Board of Directors.** If a large number of persons wish to speak to the board, the board may vote to reduce each person's time 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 the Board's lawful jurisdiction. Additionally, the Chair may limit repetitive comments by one or more speakers.

### ***Grievance Policy***

The Board will consider written complaints about the policies and procedures of the appraisal district, the Appraisal Review board, the Board of Directors, any specific member thereof, or any other matter within its lawful jurisdiction; however, it cannot consider any matter that might

involve a challenge, protest, or correction before the Appraisal Review Board as set out in the Texas Property Tax Code. Additionally, the Board has no authority to overrule the Chief Appraiser or an Appraisal Review Board's decision on a value, correction, or a protest. Your complaint should specify the name of individual(s), Board or department involved, dates, nature of the complaint and your contact information.

Please mail or deliver written complaints and correspondence to:

Board Chair  
Milam Appraisal District  
P O Box 769  
120 N. Houston Ave  
Cameron, Texas 76520

The Board of Directors will appoint a grievance committee of two board members to review, investigate and address filed complaints. At each regularly scheduled meeting, the appointed grievance committee shall report to the Board on the nature of complaints and the status of resolution, if there are any.

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

Until final disposition of a complaint, the Board notifies the parties at least quarterly on the status of a complaint unless notice would jeopardize an investigation.

### ***Interpreters***

If a person wishes to address the Board, but does not speak English, and if that person is unable to provide an interpreter, the individual should notify the Chief Appraiser in writing at least seven (7) business days prior to the meeting. Arrangements will be made for an interpreter.

### ***Access by Disabled Persons***

The Milam Appraisal District shall comply with subtitle A of Title II of the Americans with Disabilities Act of 1990. Individuals who wish to address the Board and require specific accommodation(s) and/or need special assistance for entry and/or access, must notify the Chief Appraiser in writing at least seven (7) business days prior to the meeting. Arrangements will be made for assistance. Please contact the Appraisal District at (254) 697-6638.

### ***District Administration***

The Chief Appraiser is the chief administrative officer of the appraisal district office. The Chief Appraiser is appointed by the Board of Directors. The Chief Appraiser is directly accountable to the Board for the effective discharge of all duties and responsibilities. All other personnel are employed by and accountable to the Chief Appraiser. The Chief Appraiser may delegate authority to subordinate 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 the administration of the appraisal office. Additionally, the



Chief Appraiser is assigned duties by the Board of Directors necessary for the conduct of Board duties and implementation of Board policy. The Chief Appraiser shall:

- 1) Develop and implement sound administrative procedures for the conduct of all district functions.
- 2) Develop and implement an effective financial management system and provide reports to the Board to allow evaluation of the district's fiscal affairs.
- 3) Develop and deliver a proposed budget to each taxing unit participating in the District and the Board of Directors before June 15<sup>th</sup> each year per Property Tax Code § 6.06.
- 4) Develop and implement biennially a reappraisal plan by September 15<sup>th</sup> of even numbered years.
- 5) Serve as the district's spokesperson in providing information to news media, taxing entities, and the general public on the operations of the appraisal district and provisions of the property tax laws.
- 6) Prepare the agenda for each Board meeting, attend all meetings, and provide staff recommendations for all appropriate Board actions.
- 7) 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.
- 8) Employ and compensate professional, clerical and other personnel as provided by the budget.
- 9) Appoint members of the Agricultural Advisory Board with the advice and consent of the Board of Directors.
- 10) Review adjustments or changes involving properties of employees of the district.
- 11) And any other item included in the Chief Appraiser job description.

### ***Appraisal Review Board***

In accordance with Property Tax Code §6.41 – 6.43, the Appraisal Review Board (ARB) is a board of citizens that hears taxpayer protests, corrects clerical errors in the appraisal records and appraisal rolls, acts on motions to correct the appraisal roll, determines whether exemptions and special valuations were improperly granted and takes any other action or makes any other determination as authorized or required under the Property Tax Code. There is an ARB for each appraisal district. ***The ARB consists of three members.*** However, the district 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 considers appropriate.

The Board will appoint two members for a two-year period beginning January 1<sup>st</sup> of even numbered years and one member for a two-year term beginning January 1<sup>st</sup> of odd-numbered years. The Board may select to advertise for qualified persons for ARB appointment.

Prospective members shall complete and submit an application form available at the Appraisal District office.

The local administrative district judge shall select the Chair and Secretary of the Appraisal Review Board (ARB) for one-year term beginning January 1<sup>st</sup> of each year. Each year, the Board of Directors shall appoint a temporary member to a term of one year as needed to assure ARB hearing(s) are in compliance with Property Tax Code.

### ***Eligibility***

To be eligible to serve on the ARB, an individual must be an appraisal district resident and must have resided in the district for at least two years. ARB members may serve a maximum of all or part of three terms.

### ***Conflict of Interest***

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

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

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

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

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

### ***Compensation***

ARB members, including temporary member(s), are entitled to a per diem for each day the board meets as provided in the CAD budget. ARB members are also entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties as provided in the CAD budget including mileage to and from ARB meetings. ARB members, including temporary member(s), shall be paid for a full day's service regardless of time

expended based on the prevailing rate established by the Board of Directors. Payment for training will include hours of training plus travel time.

***ARB Member Removal***

A member may be removed from the ARB by a majority vote of the Board of Directors. Grounds for removal include a violation of:

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

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

## **Glossary**

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**Appraisal Review Board (ARB)** - This is a board of citizens that hears taxpayer protests and taxing unit challenges, corrects clerical errors in the appraisal records and appraisal rolls, acts on motions to correct the appraisal roll, determines whether exemptions and special valuations were improperly granted and takes any other action or makes any other determination as authorized or required under the Property Tax Code.

**Assessed Valuation** – A value that is established for real and personal property for use as a basis for levying property taxes. Property values are established by the Milam Appraisal District.

**Audit** – A comprehensive examination as to the manner in which the government's resources were actually utilized, concluding in a written report. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the government met its state goals.

**Budget** – A plan of financial operation specifying expenditures to be incurred for a given period to accomplish specific goals, and the proposed means of financing them.

**Budget Document** – The official plan showing how the District finances all of its services.

**Budget Year** – From January 1<sup>st</sup> through December 31<sup>st</sup>, which is the same as the fiscal year.

**Capital Equipment** – Equipment with a value in excess of \$1,000.

**Capital Outlay** – Expenditures which result in the acquisition of or addition to fixed assets.

**Certified Tax Roll** – A list of all-taxable properties, values and exemptions in the District. This roll is established by the Milam Appraisal District.

**Contingency** – The appropriation of reserve funds for future allocation in the even specific budget allotments have expired and additional funds are needed.

**Delinquent Taxes** – Taxes remaining unpaid after January 31<sup>st</sup>.

**Depreciation** – The decrease in value of physical assets due to use and the passage of time.

**Expenditure** – The incurring of liability, the payment of cash, or the transfer of property for the purpose of acquiring an asset or service or settling a loss.

**Fiscal Year** – January 1<sup>st</sup> through December 31<sup>st</sup> of each year.

**Fixed Assets** – Assets of a long-term character that are intended to continue to be held or used, such as land, buildings, machinery and equipment.

**Fund Balance** – The excess of assets over liabilities for governmental funds.

**Policy** – A plan, course of action or guiding principle, designed to set parameters for decisions and actions.

**Property Tax** – Taxes that are levied on both real and personal property according to the Property's valuation and tax rate.

## **Glossary**

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**Reserve** – An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

**Revenue** – All money received by a government other than expense refunds, capital contributions, and residual equity transfers.

**Substantial Interest** – An individual has substantial interest in a business entity if:

- the combined ownership of the director and the director's spouse is at least 10 percent of the voting stock or shares of the business entity; or
- the director or director's spouse is a partner, limited partner or officer of the business entity. [Property Tax Code §6.036(c), (d)]

**Chart of Kinship for Appraisal Personnel  
Degrees of Consanguinity and Affinity Prohibitions**

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

**Restrictions on Eligibility of Chief Appraisers, Directors, Appraisal Review Board Members and Others**

- Appraisal review board members are ineligible to serve if they are related within the second degree by consanguinity or affinity to someone engaged in the business of appraising property for compensation for use in proceedings before the appraisal district or appraisal review board or of representing property owners for compensation in that district. Tax Code § 6.412(a)(1)
- Appraisal review members are ineligible to serve if they are related within the third degree by consanguinity or within the second degree by affinity to a member of the appraisal district's board of directors. Tax Code § 6.412(a)(3)
- Appraisal review board members are ineligible to serve if they or their spouses have substantial interests in contracts with the appraisal district or taxing units participating in the district. Tax Code § 6.413(a)
- Appraisal review board members may not participate in a taxpayer protest in which they are related to a party by affinity within the second degree or by consanguinity within the third degree. Tax Code § 41.69
- Chief appraisers are disqualified from employment if related within the second degree by consanguinity or affinity to someone engaged in the business of appraising property for compensation for use in proceedings before the appraisal district or appraisal review board or of representing property owners for compensation in that district. Tax Code § 6.035(a)
- Directors of appraisal districts are ineligible to serve if related within the second degree by consanguinity or affinity to someone engaged in the business of appraising property for compensation for use in proceedings before the appraisal district or appraisal review board or of representing property owners for compensation in that district. Tax Code § 6.035(a)
- Chief appraisers or individuals related to chief appraisers within the second degree by consanguinity or affinity may not prepare appraisals to be used as evidence in protests or challenges concerning property that is taxable in the appraisal district in which the chief appraiser is employed. Tax Code § 6.035(d)
- Directors of appraisal districts are ineligible to serve if they or their spouses have substantial interests in contracts with the appraisal district or taxing units participating in the district. Tax Code § 6.036(a)
- Persons may not be employed by the appraisal district if they are related to a member of the board of directors within the second degree by affinity or within the third degree by consanguinity. Tax Code § 6.05(f)
- Persons or their spouses may not be employed by or contract with the appraisal district if they are related to the chief appraiser within the first degree by consanguinity or affinity. Tax Code § 6.05(g)