

Statement of Policy
of
Polk Central Appraisal District
Board of Directors

Re: Legal Entry and Function

The Board Of Directors shall constitute a body corporate and in the Appraisal District may acquire and hold real and personal property, sue and be sued, and receive, bequest and donate other monies or funds coming legally into their hands. The Directors should have the exclusive power to manage and govern the Central Appraisal District. All rights and titles to the property of the district, whether real or personal, shall be vested in the Directors and their successors in office. The Directors shall adopt such rules, regulations, and by-laws as they deem proper. The descriptive name of the governing body of the Appraisal District shall be:

**Board of Directors
Polk Central Appraisal District
Livingston, Texas**

Re: Qualifications of Directors

The Appraisal District is governed by a Board of five (5) Directors. An Appraisal District Director must reside in the Appraisal District for at least two (2) years immediately preceding the date he or she takes office. A person may serve on the governing body of a taxing unit in the Appraisal District (i.e. City Councilmen, School Board Trustee, County Commissioner, etc.) and still be eligible to serve as Director unless he is also an elected official. Effective September 1, 1989, House Bill 432 prohibits a Board Member from serving if the member is related within the second degree of consanguinity or affinity to a person who is in the business of appraising property or represents property owners in proceedings in the Appraisal District. A person who also is ineligible to serve if he or a business that he has a substantial interest in enters into a contract with the Appraisal District or a taxing unit in the district.

An individual is also ineligible to serve on the Board of Directors if the individual owns property on which delinquent taxes have been owed to a taxing unit for more than sixty (60) days after the date the individual knew or should have known of the delinquency unless there is an installment agreement, deferral or abatement in place.

Members of the Board of Directors serve two (2) year terms, beginning on January 1 of even-numbered years.

Re: Appointment of Directors

Members of the Board are appointed by vote of the governing bodies of the incorporated cities and towns, school districts, and county that participates in the district.

The voting entitlement of a taxing unit that is entitled to vote for directors is determined by dividing the total dollar amount of property taxes imposed in the district by the taxing unit for the preceding tax year by the sum of the total amount of property taxes imposed in the district for that year by each taxing unit that is entitled to vote, by multiplying the quotient by 1,000 and rounding to the nearest whole number. A taxing unit participating in two or more districts is entitled to vote in each district in which it participates, but only the taxes imposed in a district are used to calculate voting entitlement in the district.

Re: Unexpired Terms

If a vacancy occurs on the Board of Directors, 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 forty-five (45) days after notification from the Board of Directors of the existence of the vacancy, and the Chief Appraiser shall prepare and deliver to the Board of Directors within 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.

Re: Compensation and Reimbursements

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.

Re: Organization and Meetings

A majority of the Appraisal District Board of Directors constitutes a quorum. At its first meeting each calendar year, the Board shall elect from its members a Chairman, Vice-Chairman, and Secretary.

Re: Regular Meetings

Regular meetings of the Board shall be held in the Appraisal District's office at 5:15 PM on the second Tuesday of each month. Except for the months of November and December when the meetings will be held at specified times due to The Thanksgiving and Christmas holidays.

Roberts Rules of Order will govern the conduct of all meetings of the board, unless Roberts Rules of Order are in conflict with the rules of the Board. If so, the rules of the Board will prevail. All meetings of the Board will be conducted in compliance with the Open Meetings Act, TEX.REC.CIV.SET.AM.ART.6252-17 (VERNON SUPPL. 1986). If requested in a timely manner any Director may have an item placed on the agenda for a regular meeting.

Re: Special Meetings

Special meetings may be called by the Board Chairman. All members of the Board shall be notified of the called meeting at least twenty-four (24) hours prior to the hour of the meeting.

No business shall be transacted except that for which the meeting has been called, and which has been stated in the call. The call for a special meeting shall designate the place and time of the meeting called, and the nature of the business to be transacted. The written required notice may be waived by unanimous consent of the members.

Re: Executive Session

As conditions warrant, and in conformity with the exceptions set out in the existing open meetings law, the Board may recess to an Executive Session which shall be open to individuals specified by the Board. An Executive Session may be called by the Board Chairman.

Re: Public access policies for meetings of Appraisal District Board of Directors

Pursuant to Section 6.04 (D), Texas Tax Code, a reasonable period of time during the meeting of the Appraisal District Board of Directors shall be provided for public comments on Appraisal District and Appraisal Review Board Policies and Procedures. The period of time shall be determined at the discretion of the Chairman of the Board of Directors at each meeting.

Pursuant to Section 6.04 (E) Texas Tax Code, the following policies are adopted to provide public access to the Board of Directors for purposed of testimony at public meetings concerning Appraisal District and Appraisal Review Board Policies and Procedures, as well as any matter over which the Board of Directors has responsibility:

1. Proposal or complaint should be presented to the Chief Appraiser.
2. Should the person bringing the proposal or complaint to the Chief Appraiser, and after a conference is still dissatisfied, he or she may request a hearing before the Board of Directors as a whole. In this case, the proposal or complaint shall be presented in writing to the Chairman of the Board or to the Chief Appraiser at least five (5) days prior to the regular board meeting date. Such written request for audience with the Board shall include a statement of the nature of the proposal or complaint and a list of the person or persons requesting to be placed on the agenda.
3. The Chief Appraiser will transmit copies of all correspondence concerning complaints to members of the Board of Directors, through the Chief Appraiser, and shall notify the parties to the complaint concerning its status on a quarterly basis until final disposition of the matter.
4. Any non-English speaking person, deaf person, or person who has any physical, mental or development disability desiring to appear before the Board must file a written request with the Chief Appraiser, who will schedule the person to present testimony at the next regularly scheduled Board meeting. The request should indicate any special assistance or arrangement required to make the presentation to the Board possible.
5. The Chief Appraiser shall appoint annually at least one bilingual person in the county to serve as an interpreter. An interpreter shall attend any meeting of the Board of Directors in which a non-English speaking person is scheduled to testify.
6. The Chief Appraiser shall appoint annually an interpreter to attend any meetings of the Directors in which a deaf person is scheduled to testify. The interpreter shall be paid a per diem amount equal to that paid to members of the Appraisal Review Board.
7. The Chief Appraiser shall provide proper arrangements for public forums, to include the correct placement of microphones, sufficient area for wheelchairs and other mobility aides, and any other matter which would assist in improved access to the Board of Directors in a public hearing.

Re: Budget Allocation

Each taxing unit in the district will pay its share of the district's budget as specified in Section 6.06 (D) and 6.02 (F) of the State Property Tax Code. First, the Chief Appraiser will calculate each unit's share by dividing the previous year's tax levy of each unit in Polk County by the total tax levy of all taxing units in Polk County. The resulting fraction is multiplied by the total dollar amount of the budget to arrive at the unit's allocation.

Pursuant to Section 6.06 (C), Texas Tax Code, each tax unit will pay its allocation in four (4) equal payments to be made at the end of each calendar quarter. A payment is delinquent if not paid by due date. A delinquent payment incurs a penalty of 5% and accrues interest at an annual rate of 10%. Under 6.06 (K) the Board of Directors may waive the penalty and interest on a delinquent payment for good cause:

1. Natural Disaster
2. Failure of U S Postal Service to deliver mail in a timely manner.
3. Unforeseen illness of person or persons responsible for processing payment for taxing units.

When considering the waiver of penalty and interest for good cause, the Board may take into consideration the past payment history of the taxing unit.

Re: Fixed Asset Capitalization Policy

In conjunction with the adoption of GASB No. 34, the District hereby adopts the following policy for the capitalization of new assets:

A capitalized fixed asset is defined as property, such as land, buildings, and equipment, with a cost equal to or greater than \$1000.00 and a useful life of two or more years. The district will not capitalize and aggregate of purchases unless each individual item is valued at or greater than \$1000.00. However, individual assets that cost less than \$1000.00 per item will be capitalized in the aggregate as a network (i.e.: telephone network), if the estimated life of the network is more than two (2) years.

Capitalized fixed assets are acquired for use in normal operations and are not for resale. These assets may be subject to depreciation. Assets costing below \$1000.00 are expensed; they are not capitalized nor depreciated for financial reporting purposes. A physical inventory will be taken of capitalized assets at least once a year.

Re: Ex Parte Communications

According to Section 6.15 of the Property Tax Code, a member of Board of Directors or the Chief Appraiser commits an offense if they communicate directly or indirectly on any matter relating to the appraisal of property by the Appraisal District, except in:

- 1) An open meeting of the Appraisal District Board of Directors or another public forum; or
- 2) A closed meeting of the Board of Directors held to consult with the Board's attorney about pending litigation, at which the Chief Appraiser presence is necessary for full communication between the Board and the Board's attorney.

Communications between the Chief Appraiser and the County Tax Assessor-Collector do not violate this section if the communication is made in connection with the certification, correction, or collection of an account.

Re: Protest by Officers or Employees

All property protest filed by any officer, employee, or board member of the Appraisal District cannot be settled informally and must be determined by the Appraisal Review Board at a formal hearing.

Re: Functions of the Chief Appraiser

The Chief Appraiser is the Chief Administrator of the Appraisal District. The Chief Appraiser is appointed by and serves at the pleasure of the Appraisal District Board of Directors. The Chief Appraiser is entitled to compensation as provided by the budget adopted by the Board of Directors. He may employ and compensate professional clerical and other personnel as provided by the budget. The Chief Appraiser may delegate authority to his employees.

Re: Qualifications of the Chief Appraiser

The following shall be qualifications for the Chief Appraiser of Polk Central Appraisal District:

- 1) Have experience in the administration of ad valorem tax.
- 2) Have at least five (5) years experience in appraisal of real estate and personal property.
- 3) Have previous experience in working with taxing unit's personnel and taxpayers, and knowledge in preparing budgets.
- 4) Have a professional designation of "Registered Professional Appraiser".

An individual is ineligible to serve as Chief Appraiser if the individual owns property on which delinquent taxes have been owed to a taxing unit for more than sixty (60) days after the date the individual knew or should have known of the delinquency unless there is an installment agreement, deferral or abatement in place.

Re: Duties of the Chief Appraiser

The following shall be the duties of the Chief Appraiser of Polk Central Appraisal District:

- 1) To act as the Chief Executive Officer of the Board and attend all Board meetings
- 2) To administer the district in conformity with the approved policies of the Board, the rules and regulations of the State Comptroller's Office, and the state law.
- 3) Subject to Board approval, to establish an organizational framework and delegate responsibilities for carrying out the policies and accomplishing the objectives of the District.
- 4) To assign or re-assign all personnel to the position of employment.
- 5) To be responsible for the preparation of an estimated budget and present it to the Board for approval.
- 6) To present monthly reports to the Board on financial status, pending litigation and law suits and any other required reports as needed pertaining to the Appraisal District.
- 7) To perform other duties as outlined by the Board of Directors.

Re: Professional Growth

The Chief Appraiser is encouraged to attend conventions, seminars and other meetings which may be held for improvement of the district. He is encouraged to visit other appraisal districts in order to keep informed on all improvements in the field of taxation.

Re: Major purchases

The Appraisal District will follow competitive bidding procedures set out by Section 6.11 of the Property Tax Code and other state law for any contract that requires an expenditure of more than \$15000.00. Types of expenditures which do not require competitive bidding are:

1. Expenditures of less than \$15000.00.
2. Unforeseen repairs or replacement for damaged property.
3. Purchase of land or building.
4. Hiring of salaried employees.
5. Professional or personal services.
6. Emergency expenditures to protect property from a calamity (flood, hurricanes, etc)

The Chief Appraiser will be responsible for deciding when competitive bidding is necessary and for soliciting bids.

Re: Notice of appraised value- see Section 25.19 (A) (I) and 25.19 (G) of the State Property Tax Code

The Chief Appraiser may dispense with written notice required by Section 25.19 (A) to a property owner of appraised value if the amount of increase of the appraised value is \$1000.00 or less.

Re: Agricultural Advisory Board

As provided by Section 6.12 of the State Property Tax Code, the Chief Appraiser shall appoint, with the advice and consent of the Appraisal District Board, and the Agricultural Advisory Board. The Advisory Board shall contain three (3) members. One member must represent the County Agricultural Stabilization and Conservation Service. The remaining members will be comprised of persons who own land qualified for productivity value for at least five (5) years. An Appraisal District Officer or an employee may not serve.

Members of the Advisory Board serve two (2) years staggered terms and will meet at the call of the Chief Appraiser or at least three (3) times per year.

The responsibility of the Advisory Board will be to advise the Chief Appraiser on the evaluation and use of land designated for agricultural or timber appraisal. The Board will review and assist in maintaining local guidelines for qualification for agricultural and timber use.

Re: Records Management Program

As provided by the Texas Local Government Act (Title 6, subtitle C, Local Government Code) the Polk Central Appraisal District Board of Directors will provide for efficient, economical and effective controls over the creation, distribution, organization, maintenance, use and disposition of all district records through a comprehensive system of integrated procedures for the management of records from their creation to their ultimate disposition, consistent with the requirements of the Texas Local Government Record Act and accepted records maintenance practice.

The Chief Appraiser shall designate an individual employee of the District to serve as Records Management Officer for the District. The individual designated as Record Management Officer shall file his or her name with the Director and Librarian of the Texas State Library within three (3) days of the date of designation, as provided by State Law.

The Records Management Officer shall develop a Record Management Plan for submission to the Polk Central Appraisal District Board of Directors in accordance with the Texas Local Government Records Act. Once approved the Records management Plan shall be binding on the District and all records shall be created, maintained, stored and microfilmed in accordance with the plan.

The duties of the Records Management Officer shall include the following:

1. Administer the Records Management Program.
2. Plan, formulate and prescribe records disposition policies, systems, standards, and procedures.
3. Identify essential records retention schedules for compliance with the state law.
4. Ensure that maintenance, preservation, microfilming, destruction or other disposition of records is carried out in accordance with policies and procedures of the Records Management Program and requirements of state law.

Re: No Smoking Area

In order to provide a better working environment for employees, visiting taxpayers and others, the Board of Directors has designated the offices of the Polk Central Appraisal District as a no smoking public building. With permission of the Chief Appraiser, employees will be allowed to leave the building on smoking breaks for a reasonable amount of time, if their absence does not interfere with the performance of their duties. This policy became effective March 1, 1991.

Re: Qualifications and appointment of Appraisal Review Board Members

Eligibility

To be eligible to serve on the Appraisal Review Board an individual must be a resident of the Appraisal District for at least two (2) years. A member of the Board of Directors or an officer or employee of the Comptroller's office, the appraisal office, or a taxing unit is ineligible to serve.

An individual is also ineligible to serve if the individual is related within the second degree of consanguinity or affinity to an individual who appraises property for compensation for use in a protest hearing or of representing property owners for compensation in a proceeding in Polk County.

An individual is also ineligible to be appointed to or serve on the Appraisal Review Board if the individual or a business entity in which the individual has a substantial interest is a party to a contract with the District or with a taxing unit that participates in the district. Substantial interest shall be defined as the combined ownership of the individual and the individual's spouse of at least ten (10) percent of the voting stock or shares of the business entity or the individual's spouse is a partner or officer of the business entity.

A person who has served for all or part of three (3) consecutive terms as a Board Member is ineligible to serve on the Appraisal Review Board during a term that begins on the next January 1 following third of those consecutive terms.

Terms

The Polk Central Appraisal Review Board will consist of five (5) members who shall serve two (2) year, staggered terms with terms of a close to one-half (1/2) of the members expiring each year. An individual who is ineligible to serve on the Board because he has served for all or part of three (3) previous terms on the Appraisal Review Board may be reappointed to the Board after the expiration of one (1) year.

Method of Selection

It is the desire of the Board of Directors for the Appraisal Review Board members to represent the different geographic areas of the county. The Board reserves the right to select the most qualified members regardless of geographic and or school district residency.

The Board solicits names based on knowledge of building costs, agriculture, timber business and general real estate knowledge of the county. The Directors, upon their initiative, place a name or names in nomination. A vacancy on the Appraisal Review Board is filled in the same manner. The Appraisal Review Board member is appointed by resolution effective January 1, 2010.

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Compensation

Appraisal Review Board members shall be compensated as provided by the Appraisal District's budget. Members shall be entitled to receive one hundred (\$100.00) dollars per diem.

Duties and Responsibilities

The Appraisal Review Board is statutorily responsible for the review of the appraisal records for accuracy and uniformity and for the hearing of taxpayer protest and taxing unit challenges. The Appraisal Review Board shall adopt Rules of Order and Procedure for the conduct of their meetings.

Improper Communication

A member of the Appraisal review Board may not communicate with another person concerning a property that is subject of a protest except during a hearing on another protest or other proceeding before the Board which the property is compared to other property or used in a sample of properties. If a Board member has communicated with another person in violation of this provision, the member must be excused from the proceeding and may not hear, deliberate on, or vote on the determination of protest. A Board member who is excused may be temporarily replaced by any person who has previously served on the Appraisal Review Board, and still meets the other eligibility requirements. If no other former member is available, the Chairman of the Appraisal Review Board may select any person who is otherwise qualified for membership as a temporary replacement. An alternate member will be paid the same as a regular Appraisal Review Member.

Removal of Appraisal Review Board Member

According to Section 6.41 (F) of the Property Tax Code, an Appraisal Review Board member may be removed by majority vote of the Board of Directors. Grounds for removal are:

1. A violation of Section 6.412 or 6.413
2. Good cause relating to attendance at called meetings. Members are required to attend at least **66 2/3% (sixty-six and two-thirds %)** of called meetings unless there are extenuating circumstances.

Training

A member of the Appraisal Review Board may not participate in a hearing conducted by the Board unless the person has completed Appraisal Review Board training courses as provided by Section 5.041 of the Texas Property Tax Code.

Re: Investment Policy

The policy applies to the investment activities of the Polk Central Appraisal District as required by Section 1, Chapter 2256, and government code.

The Appraisal District shall manage and invest its cash funds with the following objectives: safety, liquidity, diversification and return on investment. The safety of the cash invested shall be the primary objective. All investments shall be designed and managed in a manner responsive to public trust and consistent with state and local law.

All deposits or investments which exceed the Federal Deposit Insurance Corporation (FDIC) insured amount shall be collateralized with pledged securities. All investments shall be made in the name of the Polk Central Appraisal District and shall not be commingled with any funds which are not of an asset of the Appraisal District.

The Chief Appraiser is designated as the Investment Officer for the District with authority to invest the District's funds including deposit, withdrawal, investment, transfer, and managing. The Investment Officer shall attend a trainee session relating to his responsibilities under Chapter 2256, Government Code within twelve (12) months after taking office.

The Investment Officer shall not be responsible for any loss of Polk Central Appraisal District funds through the failure or negligence of any Depository; but nothing in this policy shall release and Appraisal District Investment Representative for any loss resulting from any official misconduct or negligence on his/her part; nor any misappropriation of such funds by the Investment Officer.

The Chief Appraiser shall use any or all the following investment instruments consistent with federal and state law and the Appraisal District's depository contract:

1. Certificates of Deposit issued by banks located in Polk County **with maturity dates of twelve (12) months or less**, and insured in full by the Federal Deposit Insurance Corporation (FDIC). When the amount of the Certificate exceeds the amount of FDIC insurance, securities with a market value equal to or greater than the excess shall be pledged to secure the deposit. Bids on Certificates of Deposit may be solicited orally or electronically.
2. Money Market accounts, Now accounts, or other interest bearing accounts.

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The Chief Appraiser shall not use the following types of investment:

1. Repurchase Agreements
2. Bankers Acceptance
3. Commercial Paper
4. Mutual Funds

The Chief Appraiser must disclose to the Board of Directors and the Texas Ethics Commission, any personal business relationship with anyone attempting to sell an investment to the Polk Central Appraisal District.

The Chief Appraiser shall make reports at least quarterly on the District's investments to the Board of Directors.

The District's investment policy will be reviewed annually by the District's Independent Auditor and the Board of Directors.

Re: Appraisal Roll Corrections

The Chief Appraiser may correct inaccuracies in the Appraisal Rolls under Section 25.25 (B) of the Property Tax Code to the maximum extent permitted by law if, in his sole discretion, he determines that the correction is in the best interests of the citizens residing in Polk Central Appraisal District.

The Chief Appraiser shall report these corrections under 25.25 (B) to the Board of Directors and the Appraisal Review Board at least quarterly.

Re: Public Official Liability Insurance

The District shall maintain a Public Officials "Duty to Defend" Insurance Policy with a minimum of \$1,000,000.00 for each loss and in aggregate for each policy year. This policy shall at a minimum cover the District's Board of Directors, Appraisal Review Board, and the Chief Appraiser. Any deductible or retention arising under this policy will be paid for using Appraisal District's Funds.

Re: Personal Vehicles-Liability Insurance/Compensation

Proof of liability insurance is required by all employees who use their personal vehicles in the performance of Appraisal District business.

Re: Electronic Systems

The District may provide electronic systems for use by the District's employees in performance of their official duties. Electronic systems include computers, telephones, fax machines, cell phones, internet communications equipment, and related software. Employees should understand that most communications using District equipment and software constitute official records under the Open Records Act and may be available to the public. Therefore, employees need to be professional and prudent in using the District's electronic system for sensitive communications.

In general, incidental and occasional personal use of the District's electronic systems is permitted. However, personal use is prohibited if it:

1. Interferes with the user's or another employees productivity or work performances;
2. Adversely affects the operation of the District;
3. The use violates any provision of applicable law or District policy;
4. The personal task incurs any additional expense to the District not reimbursed; or
5. The use involves the sending, accessing or downloading pornographic, fraudulent, discriminatory or other unlawful messages or images.

In addition, continuous excessive level of personal related use of electronic systems is a basis for disciplinary action. The District's Administration may, when deemed appropriate, monitor electronic mail, voice mail, and other internet communications for compliance with the District's rules and policies. Voice and email communications using the District's electronic systems are not private and there should be no expectation of privacy for any communication.

Misuse of the District's electronic systems may result in the revocation of the employee's use of email, internet, voice mail, or cell phones and/or other disciplinary action including dismissal.

Performance Evaluation

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| | ABOVE Indicates exceptional performance that consistently exceeds the requirements of the position. | AT Indicates performance that consistently meets the requirements of the position. This evaluation will be the one normally used to describe performance of high quality that meets and occasionally exceeds the standards of the District. Performance "at expectation" indicates the individual is functioning at a level that makes him available for future advancement. | | BELOW Indicates performance that requires improvement. | |
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| | | Understanding of and ability to perform all job requirements. | Above | At | Below |
| 1. | Job knowledge: | | | | |
| 2. | Analytic skills: | Ability to think logically and to reason from facts to reach valid conclusions. | Above | At | Below |
| 3. | Initiative/Resourcefulness: | Ability to function as "self-starter" and to find new responses and solutions. | Above | At | Below |
| 4. | Quality/Quantity of work: | Volume, accuracy, thoroughness and suitability of work performed. | Above | At | Below |
| 5. | Dependability: | Reliability and thoroughness in doing the job. | Above | At | Below |
| 6. | Cooperation: | Ability, willingness and understanding; to work in harmony with others effectively and to elicit trust. | Above | At | Below |
| 7. | Communication: | Ability to organize and express ideas and information clearly and fully. | Above | At | Below |
| 8. | Flexibility: | Ability to learn new duties and adapt to changing conditions. | Above | At | Below |
| 9. | Responsibility: | Efficient use of time, tools and equipment and supplies. | Above | At | Below |
| 10. | Appearance: | Appropriate dress and neatness of work area. | Above | At | Below |
| 11. | Attendance: | Employee's punctuality and productive time spent on the job. | Above | At | Below |
| SUPERVISORY STAFF AND DIRECTORS ONLY | | | | | |
| 12. | Leadership: | Ability to inspire others to achieve desired goals. | Above | At | Below |
| 13. | Planning: | Ability to conceive and develop suitable actions. | Above | At | Below |
| 14. | Supervisory skills: | Ability to train and develop subordinates and use their capabilities effectively. | Above | At | Below |