

DENTON CENTRAL APPRAISAL DISTRICT



BOARD OF DIRECTORS POLICIES & PROCEDURES MANUAL

Date Created: December 16, 2021
Latest Revision: April 17, 2025

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GENERAL INFORMATION

ABOUT THE APPRAISAL DISTRICT

The Denton Central Appraisal District is a political subdivision of the state created pursuant to Subchapter A of Chapter 6 – Local Administration, of the Property Tax Code enacted into law by the 66th Texas Legislature in 1979. The district's primary responsibility is the development of an appraisal roll for use by taxing units in imposing ad valorem taxes on the property in the district. The appraisal district's boundaries are the same as the county's boundaries.

The Board of Directors shall establish general policies within the requirements of state law. Members of the Board of Directors shall exercise authority of office only when acting as a Board legally in session.

The statutory responsibilities of the Board of Directors are outlined within the policies of this manual. Rules of the Board under this manual may be altered, amended or repealed and new rules may be adopted by the Board at any meeting at which a quorum is present.

Property Tax Code Section: 6.01(a-c)
Property Tax Code Section: 6.02(a)

ELIGIBILITY OF BOARD OF DIRECTORS

The Denton Central Appraisal District is governed by a board of nine directors. Five directors are appointed by the taxing units that participate in the district in the manner prescribed by Section 6.03. Three directors are elected by majority vote at the general election for state and county officers by the voters of the county in which the district is established. The county assessor-collector serves as an ex officio director.

To be eligible to serve on the Board of Directors, an individual must be a resident of the Denton Central Appraisal District and must have resided in the district for at least two years immediately preceding the date the individual takes office. An elected official or a member of the governing body of a taxing unit in the appraisal district may serve as a director. An employee of a taxing unit that participates in the Denton Central Appraisal District is not eligible to serve on the district's Board of Directors unless such individual is also a member of the governing body or an elected official of a taxing unit that participates in the district.

An individual is prohibited from serving on the Board of Directors if they have engaged in appraising property or represented property owners for compensation in the preceding three years. It is also prohibited if someone they are related to is in the business of appraising property for compensation for use in proceedings or represents property owners for a fee in proceedings in the appraisal district. Relatives barred are those within the second degree by consanguinity (blood) or affinity (marriage).

The 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. A person commits an offense if the person intentionally or knowingly violates this subsection.

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

A person is ineligible to serve if they own 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 PTC Section 33.02; or a suit to collect the delinquent taxes is deferred or abated under PTC Section 33.06 or 33.065.

A person is ineligible to serve on the Board of Directors if the individual has served as a member of the Board of Directors for all or part of five terms, unless the individual was the county assessor-collector at the time the individual served as a Board member. Board of Directors prior to 01/01/2022 shall not count towards the total number of terms served.

A person is ineligible to serve if they have been an employee of the appraisal district at any time during the preceding three years.

Property Tax Code Section: 6.03
Property Tax Code Section: 6.0301
Property Tax Code Section: 6.035(1-2)

ETHICS POLICY

It is the policy of the Denton Central Appraisal District that the Board members of the district are independent, impartial, and responsible to the taxpayers of Denton County; this public office position should not be used for personal gain; and that state laws applicable to the conduct of public officials are observed.

A Board member shall not accept or solicit any gift or favor that might reasonably tend to influence that individual in the discharge of their official duties. Nor shall the member accept any gift or favor that they know, or should know, has been offered with the intent to influence or reward official conduct.

A member shall not use their official position with the Denton Central Appraisal District to secure a special privilege, consideration, or exemption for themselves or others, or to secure confidential information for any purpose other than official responsibilities.

A member shall not use district facilities, personnel, equipment, or supplies for private purposes, except to the extent such are lawfully available to the public.

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

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

A member of the Board of Directors who violates any requirement of this policy shall be subject to review and action by the appointing authority. A taxing unit may ask for the recall of any director the unit voted for in the appointment process.

TERM OF BOARD OF DIRECTORS MEMBERS

Members of the board of directors that are appointed by the participating taxing units serve staggered four-year terms beginning on January 1st of every other even-numbered year.

Elected members of the board of directors also serve staggered four-year terms beginning on January 1st of every other odd-numbered year.

Individuals are ineligible for service on the board of directors if they have served all or part of five terms, except for individuals who were the county assessor-collector during their time as a board member.

Property Tax Code Section: 6.0301(e)
Property Tax Code Section: 6.035(a-1(1)(A))

SELECTION OF BOARD MEMBERS

Board Members Appointed by Taxing Units

Method of Appointment

Before October 1st on odd-numbered years, the Chief Appraiser shall calculate the number of votes to which each taxing unit is entitled and shall deliver a written notice to the county judge, each commissioner, and to the presiding officer of each taxing unit's governing body the number of votes they are entitled.

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 dollar 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 by rounding the product to the nearest whole number. That number is multiplied by the number of directorships to be filled. 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 that district.

Before October 15th on odd numbered years, each presiding officer of the governing body of each taxing unit shall submit the names of the unit's nominees by written resolution adopted by its governing body. They shall submit one candidate for each voting position (five candidates total) to be filled on the Board of Directors.

Before October 30th on odd numbered years, the Chief Appraiser shall prepare a ballot, listing the candidates whose names were timely submitted, alphabetically according to the first letter in each candidate's surname, and shall deliver a copy of the ballot to the presiding officer of the governing body of each taxing unit that is entitled to vote. The Chief Appraiser will vet the candidates based on the eligibility of candidates listed in the Property Tax Code, Section 6.03(a) and 6.035(1-2).

Before December 15th, each governing body of each taxing unit may choose (by written resolution) the candidate or candidates of their choice. A governing body of a taxing unit may cast all its votes for one candidate or distribute them among candidates for any number of directorships.

The governing body of each taxing unit entitled to cast at least five percent (5%) of the total votes must determine its vote by resolution adopted at the first or second open meeting of the governing body that is held after the date the Chief Appraiser delivers the ballot to the presiding officer of the taxing unit's governing body. The governing body of the taxing unit must submit its vote to the Chief Appraiser not later than the third day following the date the resolution is adopted.

Before December 31st, the Chief Appraiser shall count the votes, declare the five candidates who receive the largest cumulative vote totals elected and submit the results to the governing body of each taxing unit in the district and to the candidates.

Exceptions are made for conservation and reclamation districts, Denton County does not have any conservation and reclamation districts at this time.

Board Members Elected by Public

Method of Election

Majority Vote Requirement

Section 6.0301 of the Tax Code provides that three directors of an appraisal district must be elected by majority vote at the general election for state and county officers by the voters of the county in which the district is established. A majority vote means that the winning candidate must receive more than fifty percent of the votes. If no candidate receives more than fifty percent of the vote in an election requiring a majority, then a runoff election is required between the top two vote getters, pursuant to Chapter 2 of the Election Code.

Directors Elected At-Large by Place

In order to elect three directors by a majority vote in the same election, candidates for the appraisal district board of directors must be elected at-large by place. Specifically, the board of directors for the appraisal district must be elected to either the at-large by place 1, at-large by place 2, or at-large by place 3 position. Further, candidates must indicate on their candidate application the at-large position for which they are running. The Notice of Deadline to File an Application for a Place on the Ballot posted by the county judge will also need to adequately address this provision. If the candidate fails to provide this information

on their application, the application should be rejected due to form, content, and procedure issues.

Ex Officio Member

“Ex officio” refers to a Board member who has their position because of the office that person holds, which in this case is the county assessor-collector.

The ex officio member is not elected, rather they have agreed to serve on the Board because the organization needs their expertise or influence in that position.

The county assessor-collector does not have a term limit.

Property Tax Code Section: 6.03, 6.0301 and 6.032

VACANCIES ON THE BOARD OF DIRECTORS

The Board of Directors shall be notified of any vacancy that occurs.

If a vacancy occurs in an appointive position on the board of directors, each taxing unit that is entitled to vote under Section 6.03 may nominate by resolution adopted by its governing body a candidate to fill the vacancy. The taxing 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 days a list of the nominees. The board of directors shall appoint by majority vote of its members one of the nominees to fill the vacancy.

If a vacancy occurs in an elective position on the board of directors, the board of directors shall appoint by majority vote of its members a person to fill the vacancy. A person appointed to fill a vacancy in an elective position must have the qualifications required of a director elected at a general election.

Property Tax Code Section: 6.0301(f&g)

RECALL OF DIRECTOR

The governing body of a taxing unit may call for the recall of a member of the Board of Directors for whom the unit cast any of its votes in the appointment of the Board. The call must be in the form of a resolution, be filed with the Chief Appraiser, and state that the unit is calling for the recall of the member. If a resolution calling for the recall of a Board member is filed, the Chief Appraiser, not later than the 10th day after the date of filing, shall deliver a written notice of the filing of the resolution and the date of its filing to the presiding officer of the governing body of each taxing unit entitled to vote in the appointment of Board members.

On or before the 30th day after the date on which a resolution calling for the recall of a member of the Board is filed, the governing body of a taxing unit that casts any of its votes in the appointment of the Board for that member may vote to recall the member by resolution submitted to the Chief Appraiser. Each taxing unit is entitled to the same number of votes in the recall as it cast for that member in the appointment of the Board. The governing body of the

taxing unit calling for the recall may cast its votes in favor of the recall in the same resolution in which it called for the recall.

Not later than the 10th day after the last day provided by this section for voting in favor of the recall, the Chief Appraiser shall count the votes cast in favor of the recall. If the number of votes in favor of the recall equals or exceeds a majority of the votes cast for the member in the appointment of the Board, the member is recalled and ceases to be a member of the Board. The Chief Appraiser shall immediately notify, in writing, the presiding officer of the appraisal district Board of Directors and of the governing body of each taxing unit that voted in the recall election, of the outcome of the recall election. If the presiding officer of the appraisal district Board of Directors is the member whose recall was voted on, the Chief Appraiser shall also notify the secretary of the appraisal district Board of Directors of the outcome of the recall election.

If a vacancy occurs on the Board of Directors after the recall of a member of the Board under this section, the taxing units that were entitled to vote in the recall election shall appoint a new Board member. Each taxing unit is entitled to the same number of votes as it originally cast to appoint the recalled Board member. Each taxing unit entitled to vote may nominate one candidate by resolution adopted by its governing body. The presiding officer of the governing body of the unit shall submit the name of the unit's nominee to the Chief Appraiser on or before the 30th day after the date it receives notification from the Chief Appraiser of the result of the recall election.

On or before the 15th day after the last day provided for a nomination to be submitted, the Chief Appraiser shall prepare a ballot, listing the candidates nominated alphabetically according to each candidate's surname, and shall deliver a copy of the ballot to the presiding officer of the governing body of each taxing unit that is entitled to vote. On or before the 15th day after the date on which a taxing unit's ballot is delivered, the governing body of the taxing unit shall determine its vote by resolution and submit it to the Chief Appraiser. On or before the 15th day after the last day on which a taxing unit may vote, the Chief Appraiser shall count the votes, declare the candidate who received the largest vote total appointed, and submit the results to the presiding officer, or secretary if the presiding officer is being recalled, of the governing body of the appraisal district and of each taxing unit in the district and to the candidates. The Chief Appraiser shall resolve a tie vote by any method of chance.

Property Tax Code Section: 6.033(a-d)

OFFICERS OF THE BOARD

The officers of the Board of Directors shall consist of a chairman, vice-chairman, and secretary who shall be selected by majority vote at the January meeting of each year. In the event of a vacancy of office, the office is filled at the first regular meeting following the vacancy.

The duties of the chairman shall include presiding at Board meetings; appointing committee members unless otherwise instructed by the Board; along with the secretary, signing all legal instruments requiring Board signature; perform legal duties as required by statute, and functions as designated by the Board.

The duties of the vice-chairman shall include all the duties of the chairman in case of their resignation, absence, or disability.

The duties of the secretary shall include presiding at meetings in absence of the chairman and vice-chairman; along with the chairman, signing all legal instruments requiring Board signature; perform legal duties as required by the statute, and functions as designated by the Board.

Property Tax Code Section: 6.04(a)

COMPENSATION

Members of the Board of Directors 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.

Property Tax Code Section: 6.04(c)

MEETINGS

The Denton Central Appraisal District Board of Directors may meet at any time at the call of the chairman or as provided by Board rule, but may not meet less often than once each calendar quarter.

All meetings of the Board of Directors shall be held in a room at the district's office located at 3901 or 3911 Morse Street, Denton Texas, unless a different location is designated by the Board in the notice of meeting. Meetings shall start promptly at the appointed hour or as soon thereafter as a quorum is present. A majority of the members of the Board shall constitute a quorum for transaction of business.

Board Member Meeting Responsibilities

- Review meeting packet materials in advance.
- Submit requests for additional agenda-related information or materials to the Chief Appraiser.
- Notify the Board Chairperson if unable to attend a meeting.

Regular Meetings

Regular meetings of the Board shall be held at the call of the Chairman. The Board of Directors shall determine the number of meetings to be held for each year. However, the Board of Directors will hold at least six meetings during each calendar year and at least one meeting during each calendar quarter. An agenda of such meetings will be made public in accordance with the Texas Open Meetings Act.

The Chief Appraiser is given administrative authority to deliver on behalf of the Board Secretary or Chair, required written notices of public hearings to members, taxing entities and the public. The Chief Appraiser will handle preparations for board meetings and public hearings, including notifying members, setting the agenda in conjunction with the Board Chair and preparing and signing agenda packets and meeting notices on behalf of the Board. In addition, any board member may place an action item on the agenda by sending written notification of their desire to have an item placed on the agenda to the Chief Appraiser and the Board Chair at least seven days prior to a board meeting.

A majority of the appraisal district board of directors constitutes a quorum. The Ex Officio member of an appraisal district board 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.

A member of the Board of Directors shall not speak about any appraisal district activities with two (2) or more Board members outside a posted meeting, which includes hitting "Reply All" on an email stream. Hitting "Reply All" is considered a walking quorum.

The carrying of a concealed handgun and the open carry of a handgun by those licensed to carry is prohibited at the meeting of the Board of Directors including any committee meetings of the Board. Staff shall provide written notice pursuant to the State law requirements to notify those in attendance.

The Board shall have the authority to hold a closed or executive session without public admittance consistent with the requirements of law. The Board may not take any action in an executive session.

An agenda packet outlining the agenda and providing support information shall be prepared by the Chief Appraiser and sent to the members at least forty- eight (48) hours before the time of the next regular meeting. The packet shall include the minutes of the previous regular meeting (unless a special meeting has been called). The official minutes shall be bound and kept by the Chief Appraiser in the office of the appraisal district.

Special Meetings

Special meetings may be called by a majority of the Board of Directors, by the Chairman, or by the Chief Appraiser. Rules of procedure for these meetings shall be the same as those for regular meetings. Notification and agenda posting will be made in accordance with the Texas Open Meetings Act.

Emergency Meetings

Emergency meetings may be called by the Chairman of the Board or the Chief Appraiser. A one-hour public notice and agenda posting will be made in accordance with the Texas Open Meetings Act.

Property Tax Code Section: 6.04(b)

ACCESS TO THE BOARD

PUBLIC ACCESS

It is the policy of the Board of Directors that persons desiring to address the Board must fill out a speaker's card prior to the meeting. No presentation shall exceed three (3) minutes, unless approved by the Board ahead of time.

The Board cannot deliberate on any subjects that are not included on the posted agenda. The Board may refuse to hear any person who attempts to speak on a subject unrelated to the policies and procedures of the appraisal district or the Appraisal Review Board and unrelated to any other issue under the Board's jurisdiction.

The Board of Directors may not prohibit public criticism of the Board, including criticism of any act, omission, policy, procedure, program, or service; provided the criticism is not otherwise prohibited by law.

If a person who does not speak English or who communicates by sign language wishes to address the Board at a meeting, and that person is unable to provide an interpreter, the individual should notify the Chief Appraiser in writing at least three (3) days prior to the meeting, and earlier if possible. Upon receiving such a notice, the Chief Appraiser shall arrange to have an interpreter at the meeting.

If a person has a disability and needs assistance to enter the appraisal district office building and boardroom, the individual should notify the Chief Appraiser in writing at least three (3) business days prior to the meeting.

The Chief Appraiser has provided the following for disabled persons:

- Two (2) parking spaces for the handicapped. They are located in the visitors' parking area south of the building;
- A wheelchair curb is located in the parking area on the visitors' parking and is adjacent to the building's front entrance;
- Restrooms specially equipped for the handicapped are located in the building.

If a person has any other physical, mental, or developmental disabilities that require special consideration for access to the Board, the individual should notify the Chief Appraiser in writing at least three (3) days prior to the meeting. The Chief Appraiser will make every reasonable effort to provide reasonable access to the Board.

Property Tax Code Section: 6.04(d-e)
Government Code: 551.007

FILING AND RESOLVING COMPLAINTS

The Board of Directors will consider complaints about itself, the Denton Central Appraisal District, the Denton County Appraisal Review Board (ARB), or any of the following persons: A member of the Board of Directors; Ex Officio member, a member of the ARB; the Chief Appraiser; any employee of the appraisal district; and any private person or firm who, by contract, performs governmental functions for the appraisal district.

A complaint may be filed with the Board by any of the following persons or entities: an owner of taxable property in the appraisal district; a taxing unit for which the appraisal district appraises property; the ARB or any member thereof; the Chief Appraiser; or any employee of the appraisal district.

The following items, which may be protested to the ARB, per Section 41.41 of the Tax Code, cannot be resolved by the Board of Directors: 1) determination of appraised value, 2) unequal appraisal, 3) inclusion of property on appraisal records, 4) denial of an exemption, 5) disqualification for special appraisal, 6) identification of taxing units wherein taxable, 7) determination of ownership, 8) determination that a change of use of land previously receiving special appraisal under Chapter 23 of the Tax Code has occurred, and 9) any other action that applies to the property owner and adversely affects them.

The Board of Directors shall take the actions it may deem reasonable and appropriate to resolve a complaint. The complainant may be permitted to appear before the Board. The Board's deliberations at its meetings with respect to complaints shall occur in open session or executive session as authorized by the Texas Open Meetings Act.

In response to each complaint referred by the Board, the Chief Appraiser shall investigate the validity of the complaint and make their recommendations to the Board. The Chief Appraiser shall report to the Board at its meetings on the result of their investigations and recommendations with respect to complaints. All parties shall cooperate fully with an investigation being conducted by the Chief Appraiser.

It is the policy of the Board of Directors that if a written complaint is filed with the board that the board has authority to resolve, the board, at least quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless notice would jeopardize an undercover investigation. The Board will not respond to the complaint filed until any undercover investigation has been concluded and dismissed. The complaint must state explicitly the issues involved with appropriate documentation, and must be signed and dated by the complainant. The Board shall notify the parties when a complaint is finally resolved. If a complaint is addressed to some action or omission specifically on the part of an individual member of the Board of Directors then the remaining Board of Directors, and as deemed appropriate by the Board, the taxing unit(s) casting votes for the Board member about which the complaint is filed, will investigate and resolve the complaint.

If a complaint is addressed to some action or omission specifically on the part of the Chief Appraiser, or if it otherwise appears that the Chief Appraiser could not objectively investigate the complaint and make impartial recommendations to the Board, then the chairman of the Board may refer the complaint to some other party with reasonable qualifications, as determined by the Board, to perform the functions of the Chief Appraiser with regard to investigating the complaint and making recommendations to the Board.

Property Tax Code Section: 6.04(g)

EX PARTE COMMUNICATIONS

A member of the Board of Directors and/or the Chief Appraiser commits an offense if they directly or indirectly communicates with the Chief Appraiser on any matter relating to the appraisal of property by the appraisal district, except in:

- An open meeting of the appraisal district Board of Directors or another public forum; or

- A closed meeting of the Board of Directors held to consult with the Board's attorneys about pending litigation, at which the Chief Appraiser's presence is necessary for full communication between the Board and the Board's attorney.

A member of the board of directors can transmit to the chief appraiser (without comment) a complaint by a property owner or taxing unit about the appraisal of a specific property, provided that the transmission is in writing.

The above does not apply to routine communication between the Chief Appraiser and the county assessor-collector that relates to the administration of an appraisal roll, including a communication made in connection with the certification, correction, or collection of an account.

An offense under section 6.15 of the Tax Code is a Class C misdemeanor.

Property Tax Code Section: 6.15

AUTHORITY OF THE BOARD

ESTABLISHMENT OF APPRAISAL DISTRICT OFFICE

The Property Tax Code established the Denton Central Appraisal District. The Board of Directors, shall establish an appraisal office within Denton County.

The Board of Directors mandates that the district's appraisal office shall be located in Denton County, and should be in a geographic location that provides centralized access to all taxpayers in the district.

The administrative offices of the district shall be located at 3901 & 3911 Morse Street, Denton, Texas. Regular office hours for the district shall be 8:00 am to 4:30 pm, Monday through Friday, unless the day is designated a holiday or special circumstance.

The district is responsible for appraising property in the district for ad valorem tax purposes of each taxing unit that imposes ad valorem taxes on property in the district and elects not to contract with an appraisal office in another district, or with a taxing unit to perform the duties of the district.

Property Tax Code Section: 6.05(a-b)

OWNERSHIP OR LEASE OF REAL PROPERTY

The Board of Directors of the appraisal district may purchase or lease real property and may construct improvements as necessary to establish and operate the appraisal office.

The acquisition or conveyance of real property or the construction or renovation of a building or other improvement by the appraisal district must be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the appointment of Board members. The Board of Directors by resolution may propose a property transaction or other action for which this policy requires approval of the taxing units. The Chief Appraiser shall notify the presiding officer of each governing body entitled to vote on the approval of the proposal by delivering a copy of the Board's resolution, together with information showing the costs of other available

alternatives to the proposal. On or before the 30th day after the date the presiding officer receives notice of the proposal, the governing body of a taxing unit by resolution may approve or disapprove the proposal. If a governing body fails to act on or before that 30th day or fails to file its resolution with the Chief Appraiser on or before the 10th day after that 30th day, the proposal is treated as if it were disapproved by the governing body.

The Board of Directors may convey real property owned by the district, and the proceeds shall be credited to each taxing unit that participates in the district in proportion to the unit's allocation of the appraisal district budget in the year in which the transaction occurs. A conveyance must be approved as provided above, and any proceeds shall be apportioned by an amendment to the annual budget made as provided by Subsection (c) of Section 6.06 of the Texas Property Tax Code.

Property Tax Code Section: 6.051(a-c)

CHIEF APPRAISER

It is the role of the Board of Directors to appoint a Chief Appraiser who will serve at the pleasure of the Board. The Board shall seek qualified applicants to fill the position of Chief Appraiser. The Board policy is that candidates for Chief Appraiser are required to have a designation of Registered Professional Appraiser (RPA) at the time of hire and attend the Chief Appraiser Institute (CCA) as quickly as possible upon being hired.

An outside vendor may be used by the Board to help advertise the position, conduct pre-employment testing, and make recommendations on the selection process.

The Chief Appraiser coordinates and implements the goals and objectives established by Board policy, provisions of the Property Tax Code, and other applicable laws and rules. The Chief Appraiser's responsibilities include numerous statutory responsibilities related to the development of appraisal rolls and for the administration of the appraisal office.

Roles of the Chief Appraiser to the Board of Directors:

- Establish a comprehensive program for conduct of all appraisal activities and keep the Board informed on the progress of appraisal activities in accordance with the Texas Property Tax Code and generally accepted mass appraisal practices.
- Develop and implement an effective financial management system and provide reports to the Board to allow evaluation of the District's fiscal affairs.
- Develop and implement an effective internal budget development system and prepare and submit a proposed budget by June 15 of each year to the Board.
- Serve as the district's spokesperson in providing information to news media, taxing units, and the general public on the operations of the appraisal district and provisions of the property tax laws.
- Prepare the agenda for each Board meeting, attend all meetings, and provide staff recommendations for all appropriate Board actions.
- In conjunction with district counsel, provide recommendations for Board action on litigation.
- Serve as the executive administrator of the district and, with the exception of matters reserved to the Board of Directors, the final authority for any personnel matter rests with the Chief Appraiser.
- Perform such other duties as deemed appropriate by the Board and statutory requirements not listed above, or statutory requirements mandated in the future.

When hiring a Chief Appraiser, the Board shall conduct interviews with final candidates and select the Chief Appraiser by a majority of votes.

The Board shall determine the format and procedures for, and conduct, a written annual evaluation of the Chief Appraiser. The evaluation will, at a minimum, denote areas of strength and weakness and indicate any required corrective action on the part of the Chief Appraiser. As part of the evaluation, the Board shall review comments or complaints received from the public about the Chief Appraiser. The Board will communicate the outcome of the evaluation to the Chief Appraiser in writing. Board members shall submit comments to the Board Chair by October, and the evaluation shall be completed by November each year through review and discussion in executive session. The Chief Appraiser shall maintain the personnel file resulting from Board evaluations. When determining the compensation of the Chief Appraiser, the Board shall consider statewide comparable salaries of similar appraisal districts.

Property Tax Code Section: 6.05(c-d)

AGRICULTURAL ADVISORY BOARD

The Chief Appraiser, with the advice and consent of the Board, shall appoint an Agricultural Advisory Board to advise the Chief Appraiser on the valuation and use of agricultural and timber land.

The Ag Advisory Board must consist of three or more members, as determined by the Board of Directors. Members must be landowners of the district whose land qualifies for appraisal under Subchapter C, D, E, or H, Chapter 23, and who have been residents of the district for at least five years. Board of Directors and/or District staff are ineligible to serve on the Ag Advisory Board.

The Ag Advisory Board is required to meet at least one time per year.

Members will serve for staggered terms of two (2) years and may not be compensated.

Property Tax Code Section: 6.12

APPRAISAL REVIEW BOARD (ARB)

In accordance with amendments to Section 6.41(d) of the Texas Property Tax Code, effective July 1, 2024, the Board of Directors will appoint all members to the Appraisal Review Board (ARB) under Subchapter D, Chapter 74, of the Government Code. ARB members are appointed through a resolution passed by a majority of the appraisal district's board of directors. Any vacancy on the board will similarly be filled for the remaining term in the same manner.

Members of the ARB serve two-year terms starting from January 1. The appraisal district board of directors will establish staggered terms through a resolution, aiming for approximately half of the members' terms to expire each year. When making initial or subsequent appointments, the board of directors shall designate members to serve one-year terms as necessary to comply with this subsection.

The majority of the Board of Directors has the authority to expand the Denton County Appraisal Review Board to a size deemed appropriate for efficiently handling its responsibilities, which includes the duties of each special panel established under Section 6.425.

The majority of the Board of Directors has the authority to determine the number of auxiliary members deemed necessary for the Denton County Appraisal Review Board to hear taxpayer protests and assist the board in performing its duties. An auxiliary member is appointed, in accordance with Section 6.41, for the same term as a regular appraisal review board member, and must meet the same eligibility criteria and restrictions outlined in Sections 6.41, 6.411, 6.412, and 6.413.

Under Section 6.42(a) of the Texas Property Tax Code, the board of directors shall select a chairman and secretary from among the appraisal review board members. It is recommended that a board member with a legal and property appraisal background be chosen as chairman, if available.

The Board of Directors establishes a per diem rate for the Denton County Appraisal Review Board for each day the ARB conducts hearings or participates in approved training sessions. Additionally, the Board of Directors may opt to reimburse actual and necessary expenses incurred by ARB members in carrying out their functions, as specified in the district's annual budget.

A member of the ARB may be removed from their position by a majority vote of the Board of Directors upon determination of grounds for removal.

The grounds for removal include:

- (1) Violation of Texas Property Tax Code sections 6.412, 6.413, 41.66(1), or 41.69;
- (2) Justified cause related to attendance at ARB meetings, as established by the Board of Directors; or
- (3) Clear and convincing evidence of recurring bias or misconduct.

If the chief appraiser believes an ARB member has violated any of these conditions, they are required to file a complaint with the Taxpayer Liaison Officer (TLO) in accordance with section 6.04(a) of the Texas Property Tax Code. The Taxpayer Liaison Officer (TLO) shall report any complaints to the Board of Directors as part of the monthly report. Upon receipt of the complaint, the Board of Directors will schedule an agenda item to determine whether removal of the ARB member is warranted.

If an ARB member is suspected of violating conditions (1) and/or (2) and/or (3) by the officers of the ARB, they shall file a complaint with the Board of Directors through the ARB's legal counsel, in conjunction with the TLO. The TLO will report the complaint to the Board of Directors, as part of the monthly report, prompting the Board of Directors to schedule an agenda item to determine whether removal is warranted.

No later than the 90th day after the Board of Directors become aware of potential grounds for removal, the Board of Directors shall remove the ARB member or officially decide that removal is not warranted.

If the Board of Directors, by majority vote, determines that an ARB member has violated conditions (1) and/or (2) and/or (3), they will notify the parties involved through the TLO, with assistance from the District's legal counsel, acting in conjunction with the ARB's legal counsel. The TLO will also inform the ARB Chairman in writing of the member's removal.

"Good Cause" attendance requirements established by the Board of Directors:

The Board of Directors has established attendance requirements for ARB members due to the critical time constraints related to completing and certifying the appraisal rolls by the chief appraiser. These requirements are part of the ARB appointment process and include:

If an ARB member has six consecutive unexcused absences from any ARB called meeting, training, workshop, and/or request for service on hearing panels in a calendar year, the Board of Directors, by majority vote, shall have grounds for removal as described in condition (2).

The Board of Directors will take into account reasons provided by the ARB member for their absences when enforcing this policy.

Sufficient reasons for lack of attendance may include, but not be limited to, death in the immediate family, sickness of the individual or family member, and request for judicial service for jury duty, summons for court appearance or other personal related incidents acceptable to the Board of Directors.

Additionally, ARB members appointed for service to the ARB must serve at least 67 percent of the days requested to serve during the protest process from May through July each year. The hearing days will be calculated by historically tracking the number of days the ARB was in service for protest hearings during the months of May through July. The average number of days for protest hearings is 45 days. Based on the policy of 67 percent of protest hearings, the number of days that an ARB member must serve is 30 days out of forty-five (45) days or at least one-third of the protest hearing days. If the ARB member does not serve the required days, the Board of Directors, by majority vote, shall have grounds for removal as described in condition (2).

In determining good cause, the Board of Directors will consider extenuating circumstances for non-compliance with the attendance policy, including but not limited to sickness of the member or the member's family, deaths in the family, and special or unusual work assignments. Each year, following the conclusion of the August hearing docket but before appointing members for the following year, the Board of Directors will receive an attendance report from the District's Director of ARB and Agent Services or an Officer of the ARB.

A person who owns property in Denton County or the Chief Appraiser may file a complaint with the taxpayer liaison officer alleging that the Denton County Appraisal Review Board has adopted or is implementing hearing procedures that are not in compliance with the model hearing procedures prepared by the Comptroller under Section 5.103 or is not complying with procedural requirements under this chapter. The taxpayer liaison officer shall investigate the complaint and report the findings of the investigation to the board of directors of the appraisal district. The Board of Directors shall direct the chairman of the appraisal review board to take remedial action if, after reviewing the taxpayer liaison officer's report, the Board of Directors determines that the allegations contained in the complaint are true. The Board of Directors may remove the member of the appraisal review board serving as chairman of the appraisal review board from that member's position as chairman if the Board of Directors determines that the chairman has failed to take the actions necessary to bring the appraisal review board into compliance with Section 5.103(d) or this chapter, as applicable.

A member of the Board of Directors commits an offense if the person communicates with a member of the Denton County Appraisal Review Board with the intent to influence a decision by the member in the member's capacity as a member of the appraisal review board. This section does not apply to:

- Communications during a hearing on a protest for a property a member of the Board of Directors owns
- Limited conversations that involve administrative, clerical, or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices, and subpoenas, and the operation, appointment, composition, or attendance at training of the appraisal review board.

An offense under this section is a Class A misdemeanor.

Additional Instructions from the Board of Directors:

The Board of Directors emphasize the importance of conducting all ARB hearings impartially and fairly for all parties, in accordance with the Comptroller's Model Hearing Procedures and the Texas Property Tax Code. Any complaints that could lead to the removal of an ARB member, as outlined in Section 6.41(f) of the Property Tax Code, should be submitted following the Board's guidelines for "Filing and Resolving Complaints."

New ARB members appointed to their initial term and returning members appointed to subsequent terms (second or third) are required to take their oath of office at their first ARB meeting of the appointed term.

Additionally, members of the Board of Directors who want to exercise their right to an informal meeting or formal hearing have to exercise that right in an open hearing with the Appraisal Review Board, not directly with District staff.

Property Tax Code Section: 6.41, 6.411, 41.66

Separation

The Texas Property Tax Code (TPTC), Subchapter C, Appraisal Review Board (ARB), §6.41 to 6.43, outlines the need to maintain a separation between the Appraisal Review Board, the chief appraiser, the Appraisal District, property owners, and property tax agents. The permitted interactions for administrative, clerical, and logistical support will be addressed below.

To ensure proper separation, the following guidelines have been established, in addition to the requirements outlined in §6.41 to 6.43.

- a. The District will provide a private office for the chairperson of the ARB.
- b. The District will provide a board room for assembly of a quorum of the ARB.

- c. The District will provide ARB hearing panels, subject to the District's budget and space planning decisions.
- d. The District will provide a room, separate from the District's break rooms, for ARB members to use for lunch or other breaks.
- e. The District will provide a training room.
- f. All ARB members, auxiliary ARB members, and ARB legal counsel are considered contract labor and are not employees of the ARB or Appraisal District. All earnings will be reported to the members, legal counsel and liaison via Form 1099.
- g. All payments to the ARB members and ARB auxiliary members will be made to the individual only. Payment to the ARB's legal counsel will be made to the attorney or law firm, as deemed appropriate.
- h. The ARB is prohibited from hiring or otherwise employing full time or part time employees.

Independent Professional Services

- a. The District, subject to adoption of its budget by the board of directors and approval of the budget by its member taxing units, will provide funds for the ARB's legal counsel. The TPTC, §6.43(e), provides for the ARB to engage independent legal counsel, subject to the District's budget.
- b. The ARB Chair must inform TLO if there is a change in ARB counsel before the start of the upcoming ARB hearings for the year.
- c. The chief appraiser will recommend the amount to be allocated to the cost of the ARB's legal counsel and the board of directors must approve the allocation of funds from the budget

Appraisal District Assistance

- a. The District, subject to adoption of its budget by the board of directors and approval of the budget by its member taxing units and subject to annual review of anticipated needs, will provide administrative, clerical and scheduling staff to the ARB. Additionally, the District's staff involved with computer systems, communication systems and facilities will be utilized as deemed appropriate by District management.
- b. The staff provided by the District to assist the ARB will be a part of the District's personnel budget. The staff provided by the District will report to District management and are not to be considered employees or staff of the ARB itself.
- c. The District will provide computer hardware, software, and communication systems as part of its operating budget, as designated by the District.
- d. The District will provide notes pads, pens, pencils and any additional office supplies needed for the operation of the ARB hearings.
- e. The District will provide personnel assistance to complete the functions of receiving protests, scheduling ARB hearings, entering the decisions into the District's CAMA system and producing Orders of Determination by the ARB.

- f. Prior to any event/training/meeting in the District facilities, the ARB must verify that the training room, boardroom or conference room is available for the date being proposed for the event.

Appointment of ARB Members

Appointment and Term

- a. In accordance with amendments to Section 6.41(d) of the Texas Property Tax Code, effective July 1, 2024, the Board of Directors will appoint all members to the Appraisal Review Board(ARB) under Subchapter D, Chapter 74, of the Government Code. ARB members are appointed through a resolution passed by a majority of the appraisal district's board of directors. Any vacancy on the board will similarly be filled for the remaining term in the same manner.
- b. Members of the ARB serve two-year terms starting from January 1. The appraisal district board of directors will establish staggered terms through a resolution, aiming for approximately half of the members' terms to expire each year. When making initial or subsequent appointments, the board of directors shall designate members to serve one-year terms as necessary to comply with this subsection.
- c. The majority of the Board of Directors has the authority to expand the Denton County Appraisal Review Board to a size deemed appropriate for efficiently handling its responsibilities, which includes the duties of each special panel established under Section 6.425.
- d. The majority of the Board of Directors has the authority to determine the number of auxiliary members deemed necessary for the Denton County Appraisal Review Board to hear taxpayer protests and assist the board in performing its duties. An auxiliary member is appointed, in accordance with Section 6.41, for the same term as a regular appraisal review board member, and must meet the same eligibility criteria and restrictions outlined in Sections 6.41, 6.411, 6.412, and 6.413.
- e. The Board of Directors may temporarily increase the total number of ARB members prior to the start of hearings to address any resignations or no-shows, thereby enabling additional applications to be submitted for Board of Directors appointment.

ARB Officer Appointment

- a. Under Section 6.42(a) of the Texas Property Tax Code, the board of directors shall select a chairman and secretary from among the appraisal review board members. It is recommended that a board member with a legal and property appraisal background be chosen as chairman, if available.
- b. To be considered for an officer position, candidates must meet all eligibility requirements for the desired role and declare their candidacy in writing to the Board of Directors by November 30th.
- c. It is recommended to select a board member with a background in law and property appraisal as chairperson, if such a candidate is available.
- d. Candidates seeking an officer position may submit a letter of interest to the TLO.
- e. Candidates should be prepared to attend a board meeting for an interview related to the position they are seeking.

Chairperson's Compensation

- a. The Chairperson of the Appraisal Review Board (ARB) holds a leadership role and is therefore expected to assume additional responsibilities requiring greater time commitment, expertise, and coordination.
- b. As such, the Chairperson's compensation will be higher than that of other ARB members, subject to the District's budgetary provisions.
- c. Any duties beyond the standard hearings and quorum responsibilities undertaken by the Chairperson will be compensated through the additional pay designated for this role.

Duties of the Chairperson

- a. The Chairperson is responsible for presiding over all ARB meetings and hearings, ensuring they are conducted in an orderly, fair, and efficient manner. The chairperson will call the meetings to order, maintain decorum, and guide the proceedings in compliance with the Texas TPTC and the Comptroller's Model Hearing Procedures.
- b. Establish Meeting Agenda: The chairperson, in consultation with other ARB members and the District's assistance, will establish the agenda for each meeting. The agenda should include all necessary items for discussion and ensure compliance with statutory requirements.
- c. Minutes: The minutes of each ARB meeting shall be recorded in writing or recorded audio by the designated secretary or recorder, capturing key discussions, motions, votes, and action items. The draft minutes will be reviewed and approved by the ARB at the subsequent meeting, and once approved, they will be distributed to all members and filed as part of the official record.
- d. Ensure Quorum: The chairperson is responsible for verifying that a quorum is present at each meeting before proceeding with official business. If a quorum is not met, the chairperson will reschedule or adjourn the meeting as needed.
- e. Manage Hearing Panels: The chairperson, along with assistance from the District, will be responsible for assigning members to hearing panels, ensuring that all panels have sufficient representation, and ensuring that the panel members are properly trained and equipped to hear cases.
- f. Maintain Record Keeping: The chairperson, along with assistance from the District, will ensure that proper records are maintained for each ARB hearing, including decisions, Orders of Determination, and any related documentation.
- g. Review of ARB Decisions: The chairperson will review and approve the Orders of Determination and other official ARB decisions at the conclusion of each day, ensuring they accurately reflect the hearing outcomes and comply with legal requirements.
- h. Serve as Primary Contact: The chairperson, unless stated otherwise by the chairperson, will serve as the primary point of contact between the ARB and the Appraisal District, the Board of Directors, legal counsel, and the public. The chairperson will communicate decisions, announcements, and procedural matters as needed through the TLO.
- i. Collaboration with ARB Legal Counsel: The chairperson will work closely with the ARB's legal counsel to ensure that legal procedures are followed and to seek guidance on complex issues related to ARB hearings and decision-making.
- j. Coordinate Training and Development: The chairperson will ensure that ARB members receive appropriate training on relevant topics such as appraisal law, hearing procedures, and ethics. The chairperson will also coordinate with the District to arrange necessary training sessions.

ARB Member Compensation

- a. The Board of Directors establishes a per diem rate for the Denton County Appraisal Review Board for each day the ARB conducts hearings or participates in approved training sessions. Additionally, the Board of Directors may opt to reimburse actual and necessary expenses incurred by ARB members in carrying out their functions, as specified in the district's annual Budget.

ARB Attendance

“Good Cause” Attendance requirements established by Board of Directors

- a. The Board of Directors has established attendance requirements for ARB members due to the critical time constraints related to completing and certifying the appraisal rolls by the chief appraiser. These requirements are part of the ARB appointment process and include:
If an ARB member has six consecutive unexcused absences from any ARB called meeting, training, workshop, and/or request for service on hearing panels in a calendar year, the Board of Directors, by majority vote, shall have grounds for removal as described in condition (2).
- b. The Board of Directors will take into account reasons provided by the ARB member for their absences when enforcing this policy.
- c. Sufficient reasons for lack of attendance may include, but not be limited to, death in the immediate family, sickness of the individual or family member, and request for judicial service for jury duty, summons for court appearance or other personal related incidents acceptable to the Board of Directors.
- d. Additionally, ARB members appointed for service to the ARB must serve at least 67 percent of the days requested to serve during the protest process from May through July each year. The hearing days will be calculated by historically tracking the number of days the ARB was in service for protest hearings during the months of May through July. The average number of days for protest hearings is 45 days. Based on the policy of 67 percent of protest hearings, the number of days that an ARB member must serve is 30 days out of forty-five (45) days or at least one-third of the protest hearing days. If the ARB member does not serve the required days, the Board of Directors, by majority vote, shall have grounds for removal as described in condition (2).
- e. In Determining good cause, the Board of Directors will consider extenuating circumstances for non-compliance with the attendance policy, including but not limited to sickness of the member or the member's family, deaths in the family, and special or unusual work assignments. Each year, following the conclusion of the August hearing docket but before appointing members for
- f. the following year, the Board of Directors will receive an attendance report from the District's Director of ARB and Agent Services or an Officer of the ARB.

Removal of ARB members

- a. A member of the ARB may be removed from their position by a majority vote of the Board of Directors upon determination of grounds for removal.
The grounds for removal include:
(1) Violation of Texas Property Tax Code sections 6.412, 6.413, 41.66(1), or 41.69;

- (2) Justified cause related to attendance at ARB meetings, as established by the Board of Directors; or
 - (3) Clear and convincing evidence of recurring bias or misconduct.
- b. If the chief appraiser believes an ARB member has violated any of these conditions, they are required to file a complaint with the Taxpayer Liaison Officer (TLO) in accordance with section 6.04(a) of the Texas Property Tax Code. The Taxpayer Liaison Officer (TLO) shall report any complaints to the Board of Directors as part of the monthly report. Upon receipt of the complaint, the Board of Directors will schedule an agenda item to determine whether removal of the ARB member is warranted.
- c. If an ARB member is suspected of violating conditions (1) and/or (2) and/or (3) by the officers of the ARB, they shall file a complaint with the Board of Directors through the ARB's legal counsel, in conjunction with the TLO. The TLO will report the complaint to the Board of Directors, as part of the monthly report, prompting the Board of Directors to schedule an agenda item to determine whether removal is warranted.
- d. No later than the 90th day after the Board of Directors become aware of potential grounds for removal, the Board of Directors shall remove the ARB member or officially decide that removal is not warranted.
- e. If the Board of Directors, by majority vote, determines that an ARB member has violated conditions (1) and/or (2) and/or (3), they will notify the parties involved through the TLO, with assistance from the District's legal counsel, acting in conjunction with the ARB's legal counsel. The TLO will also inform the ARB Chairman in writing of the member's removal.
- f. If an ARB member fails to submit the required documentation within the designated time frame and has not responded to the District's attempts to contact them, or if they have not initiated contact with the District or shown intent to continue serving for a period of 10 consecutive days, the following steps will be initiated:

Notification and Follow-Up: The District will make reasonable efforts to contact the ARB member, including at least two written communications (email, letter, phone or other formal means).

Timeframe for Response: If no response or communication is received within 5 days from the date of the last contact attempt, the ARB member will be considered non-responsive.

The ARB member(s) will be brought before the Board of Directors for consideration. The ARB member in question may be subject to removal from their position due to lack of engagement or failure to fulfill their ARB responsibilities. The Board of Directors will make a final decision regarding the ARB member's removal, with the option to reappoint or appoint a replacement, as necessary.

Complaints and Investigations Regarding Non-Compliance with Appraisal Review Board Hearing Procedures

- a. A person who owns property in Denton County or the Chief Appraiser may file a complaint with the taxpayer liaison officer alleging that the Denton County Appraisal Review Board has adopted or is implementing hearing procedures that are not in compliance with the model hearing procedures prepared by the Comptroller under Section 5.103 or is not complying with

procedural requirements under this chapter. The taxpayer liaison officer shall investigate the complaint and report the findings of the investigation to the board of directors of the appraisal district. The Board of Directors shall direct the chairman of the appraisal review board to take remedial action if, after reviewing the taxpayer liaison officer's report, the Board of Directors determines that the allegations contained in the complaint are true. The Board of Directors may remove the member of the appraisal review board serving as chairman of the appraisal review board from that member's position as chairman; if the Board of Directors determines that the chairman has failed to take the actions necessary to bring the appraisal review board into compliance with Section 5.103(d) or this chapter, as applicable.

Board of Directors Communication and Conduct Policy Regarding Appraisal Review Board Members

- a. A member of the Board of Directors commits an offense if the person communicates with a member of the Denton County Appraisal Review Board with the intent to influence a decision by the member in the member's capacity as a member of the appraisal review board. This section does not apply to:
 - Communications during a hearing on a protest for a property a member of the Board of Directors owns
 - Limited conversations that involve administrative, clerical, or logistical matters relate to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices, and subpoenas, and the operation, appointment, composition, or attendance at training of the appraisal review board.
- b. An offense under this section is a Class A misdemeanor.

Additional Instructions from the Board of Directors:

- a. The Board of Directors emphasize the importance of conducting all ARB hearings impartially and fairly for all parties, in accordance with the Comptroller's Model Hearing Procedures and the Texas Property Tax Code. Any complaints that could lead to the removal of an ARB member, as outlined in Section 6.41(f) of the Property Tax Code, should be submitted following the Board's guidelines for "Filing and Resolving Complaints."
- b. New ARB members appointed to their initial term and returning members appointed to subsequent terms (second or third) are required to take their oath of office at their first ARB meeting of the appointed term.
- c. Additionally, members of the Board of Directors who want to exercise their right to an informal meeting or formal hearing have to exercise that right in an open hearing with the Appraisal Review Board, not directly with District staff.

Conduct Standards for Appraisal Review Board (ARB) Members

Impartiality and Objectivity

- ARB members must approach each case with impartiality, ensuring decisions are made based solely on the facts and the law, without bias or favoritism.
- Members should avoid conflicts of interest and disclose any potential conflicts that may arise.

Confidentiality

- ARB members must maintain confidentiality regarding all cases and discussions, whether written or verbal, both during and after hearings.
- All sensitive and proprietary information shared during proceedings must not be disclosed or discussed outside of the hearings.

Respect and Professionalism

- Treat all parties involved in hearings (applicants, witnesses, legal representatives, etc.) with respect, dignity, and courtesy.
- Maintain a professional demeanor at all times during hearings, discussions, and in all interactions related to the ARB.

Integrity and Honesty

- ARB members must conduct themselves with honesty and integrity, ensuring transparency in all decisions and actions taken.
- Avoid engaging in any deceptive practices or misrepresentations.

Compliance with Laws and Regulations

- ARB members must adhere to all applicable laws, regulations, and policies governing the appraisal review process.
- Stay informed of updates to laws, rules, and procedures relevant to appraisal reviews.

Avoidance of Bias

- ARB members should not have personal relationships or financial interests that could influence their judgment or decision-making in cases.
- Any bias—whether implicit or explicit—should be acknowledged and addressed, and steps should be followed according to the to ensure fair hearings.

Duty of Fair Hearing

- Every party involved in an appeal should be provided an equal and fair opportunity to present their case, with ARB members listening attentively and without interruption.
- Decisions must be made only after carefully considering all evidence and testimony presented.

Transparency in Decision-Making

- Members should provide clear and well-reasoned explanations for decisions, ensuring that the rationale is understandable and accessible.
- Decisions must be based on the law, facts, and evidence presented during the hearing.

Continual Learning and Education

- ARB members are required to participate in the controller's new member and continuing education training to stay updated on best practices, new developments in appraisal law, and effective decision-making techniques.

- Members should be dedicated to gaining knowledge in order to improve their ability to serve with fairness and competence.

Dress Code

- ARB members are expected to dress in a professional and respectful manner, suitable for a formal legal or government environment.
- Appropriate attire includes business casual or business formal clothing (e.g., collared shirts, blouses, slacks, skirts, dresses, or suits).
- Attire should be clean, neat, and well-maintained. Avoid wearing casual or inappropriate clothing such as jeans, t-shirts, shorts, or flip-flops.

Language and Communication

- ARB members must use respectful, clear, and professional language in all communications, both written and verbal.
- Avoid using offensive, inappropriate, or discriminatory language at all times, whether in hearings or casual discussions.

TAXPAYER LIAISON OFFICER

Denton County does meet the statutory requirement of a population of more than 120,000, as such; the Board of Directors shall appoint a taxpayer liaison officer who shall serve at the pleasure of the Board. The position of Taxpayer Liaison Officer (TLO) shall be appointed from the District's staff. The Chief Appraiser or any staff performing appraisals will not be considered or appointed to the position. The TLO shall administer public access to the Board of Directors, based on the requirements of Sections 6.04(d), (e) and (f) of the Property Tax Code and the Board's statutory policies. The TLO shall report to the Board of Directors at each Board meeting on the status of all written complaints filed with the Board of Directors under Section 6.04(g).

The Taxpayer Liaison Officer (TLO) is the appraisal district officer responsible for providing assistance to taxpayers for the district. The TLO oversees the public access functions mandated by Sections 6.04(d), (e), and (f) of the Property Tax Code and is responsible for resolving disputes not involving matters that may be protested under Section 41.41(Right of Protest). Additionally, the TLO is responsible for receiving, and compiling a list of, comments, complaints, and suggestions from the chief appraiser, property owners, or their agents regarding matters outlined in Section 5.103(b) (Appraisal Review Board Oversight) and other aspects pertaining to the fairness and efficiency of the district's appraisal review board. Each year, the TLO shall forward these comments, complaints, and suggestions filed under this subsection in the form and manner prescribed by the comptroller not later than December 31 of each year.

Additionally, the board has the authority to appoint one or more deputy Taxpayer Liaison Officers to support the TLO in fulfilling their responsibilities.

Property Tax Code Section: 6.052

RECORDS MANAGEMENT OFFICER

The Board of Directors shall appoint a Records Management Officer (RMO) from the District's staff. The RMO will be responsible for filing their name and contact information with the librarian of the Texas State Library and Archives Commission, in accordance with the requirements of Title 6, Subchapter A, Texas Local Government Code, Section 203.025.

The duties of the RMO include assisting in the establishment of and administration of the District's records management program. The RMO shall adhere with the duties of the position as described in Title 6, Subchapter A, Texas Local Government Code, Section 203.023.

Local Government Code: Title 6, Subchapter A, Section 203.025

PUBLIC RELATIONS OFFICER

The Denton Central Appraisal District shall have one and only one Public Relations Officer. This person should be the spokesperson for the District to avoid erroneous statements or quotes as best as possible. This allows for one voice to be heard and will develop consistency in dealing with the media and public.

The Public Relations Officer shall coordinate interviews, write and distribute news releases, newsletters, reports and correspondence; post information on the internet; coordinate special events such as open houses and public appearances; edit special publications and annual reports; and coordinate the release of information to media channels. The public relations officer shall be the single spokesperson for the District in the event of a crisis.

It is the policy of the Board of Directors of the Denton Central Appraisal District that the Chief Appraiser of the District shall be the official Public Relations Officer. The Board of Directors can work with the Chief Appraiser on media releases and public announcements.

Communications with Media

- Board members shall not make statements to the media regarding personnel or other matters protected by law.
- While board members have the right to speak publicly or to the media, they should clarify that their remarks represent their personal opinions, not official board statements. Even so, members should be aware that their comments may still be perceived as official. When speaking in a personal capacity, board members should:
 - Clarify that they are speaking as an individual and not on behalf of the board.
 - Remind the media representative that official statements of the board are made by the board chairperson.
 - Notify the board chairperson and Chief Appraiser about the media request.

Communications with the Community

- Board members will communicate through public forums, regular board meetings, committee meetings, electronic media, and regular publications, as appropriate to the role.

- Board members are encouraged to respond to constituents via phone, written correspondence, email, text, and social media. However, all responses may be subject to the Public Information Act.
- Anonymous communications will not be responded to by Board Members, unless they concern criminal, health, or safety issues. Communications involving criminal, health, or safety issues should be forwarded to the Chief Appraiser for action. The Board will be informed where appropriate.
 - Non-threatening anonymous communications should be shared with the Chief Appraiser.
- To avoid violating the Open Meetings Act, board members should refrain from using social media for electronic communications.

Communications with Government or Legislative Agencies

- Board Members are required to obtain authorization from the Board before issuing any public statements to a governmental body or legislative agency on its behalf.

Speaking Engagements

- Board members are encouraged to speak to the public outside of Board meetings when requested by citizens of the district. Speaking engagements will help promote a better understanding of topics relating to the Appraisal District and allow the public to become more informed and acquainted with members of the board. If a Board member is unable to accept the invitation to a constituent event, they should consider suggesting another Board member.
- Board Members shall inform the Chief Appraiser and Board Chairperson if they have been directly requested to give a public presentation.

APPRAISAL CONTRACTS

The Chief Appraiser, with the approval of the Board, may contract annually with private appraisal firms to perform appraisal services for the District. Appraisal services provided by each such firm are subject to the Chief Appraiser's approval.

The contract shall identify which properties will be appraised and shall list all items in the contract as deliverables at the CAD. The contractor shall provide to the appraisal district a reappraisal plan outlining what will be reappraised and when. The contractor will make available for inspection by the appraisal district and the public, all market data to support the values on property appraised.

A contract for private appraisal services is void if the amount of compensation to be paid the private appraisal firm is contingent on the amount of or increase in appraised, assessed, or taxable value of the property appraised by the appraisal firm.

Property Tax Code Section: 25.01

BIENNIAL REAPPRAISAL PLAN

To ensure adherence with generally accepted practices, the Board of Directors shall develop a biennial written plan for the periodic reappraisal of all property within the boundaries of the District according to the requirements of the PTC Section 25.18, and shall hold a public hearing to consider the proposed plan. Not later than the 10th day before the date of the hearing, the secretary of the Board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place for the hearing. Not later than September 15th of each even-numbered year, the Board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date.

Property Tax Code Section: 6.05

FINANCIAL

ANNUAL BUDGET

The Board shall consider and approve an annual budget for the future year by September 15th of the current year. The fiscal year for the Denton Central Appraisal District is the calendar year.

Prior to June 15th, the Chief Appraiser will deliver a copy of the proposed budget to the taxing units and the Board of Directors. The Board of Directors will hold a public hearing separate from, but in conjunction with, a regular monthly meeting before September 15th, to consider the Chief Appraiser's proposed budget, make their desired amendments, and finally approve the budget. Prior to the budget hearing, the required written notice regarding the time, date, and place of the hearing must be provided to the presiding officer of the taxing unit, as mandated by statute.

As part of the annual budgetary process, the Board of Directors shall consider and approve transfers from Reserved funds as presented by the Chief Appraiser. Use of reserved funds would be considered for unique and non-recurring expenses. The Chief Appraiser has the authority to make intra- and inter-departmental transfers during the fiscal year as necessary to avoid over-expenditures of a particular account. Such transfers do not constitute a budget amendment for purposes of the PTC Section 6.06(c) therefore no notification to the taxing entities is required as long as the total dollar amount of the budget is not changed. In the event that the budget must be amended, the Board shall follow PTC Section 6.06(c).

It is further the budget policy of the Board of Directors of the Denton Central Appraisal District, to address the District's long-term budgetary obligations, that in the event the District's operations are assumed by a different agency and the assuming agency does not also assume the full liability, funded and unfunded, if any, in the Denton Central Appraisal District's Texas County District Retirement System (TCDRS) plan; or the District ceases to operate for any reason, the Board shall allocate assets, current budget funds, and budget reserve funds toward securing the District's unfunded liability, if any, in the TCDRS.

Any purchase over \$50,000 the Chief Appraiser will take to the Board of Directors for approval.

This section of the budget policy should be read in conjunction with the “Budget Surplus Policy”, to understand the overall budget concept of the Board of Directors.

ALLOCATIONS

Each taxing unit participating in the district is allocated a portion of the amount of the budget equal to the proportion that the total dollar amount of property taxes imposed in the district by the unit for the preceding tax year in which the budget proposal is prepared bears to the sum of the total dollar amount of property taxes imposed in the district by each participating unit for that year. If a taxing unit participates in two or more districts, only the taxes imposed in Denton County are used to calculate the unit's cost allocations. If the number of real property parcels in a taxing unit is less than 5 percent of the total number of real property parcels in the district and the taxing unit imposes in excess of 25 percent of the total amount of the property taxes imposed in the district by all of the participating taxing units for a year, the unit's allocation may not exceed a percentage of the appraisal district's budget equal to three times the unit's percentage of the total number of real property parcels appraised by the district.

Each taxing unit shall pay its allocation in four equal payments to be made at the end of each calendar quarter, and the first payment shall be made before January 1 of the year in which the budget takes effect. 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. If the budget is amended, any change in the amount of a unit's allocation is apportioned among the payments remaining. For good cause shown, the Board of Directors may waive the penalty and interest on a delinquent payment.

Payments shall be made to a depository designated by the district Board of Directors. The district's funds may be disbursed only by a written check, draft, or order. Authority has been granted to the Chief Appraiser through a resolution of the Board that all bills or obligations of the district incurred by contracts or agreements previously approved by the district be paid when due upon request by the Chief Appraiser, without further approval by the Board.

If a taxing unit decides not to impose taxes for any tax year, the unit is not liable for any of the costs of operating the district in that year, and those costs are allocated among the other taxing units as if that unit had not imposed taxes in the year used to calculate allocations. However, if that unit has made any payments, it is not entitled to a refund.

If a newly formed taxing unit or a taxing unit that did not impose taxes in the preceding year imposes taxes in any tax year, that unit is allocated a portion of the amount budgeted to operate the district as if it had imposed taxes in the preceding year, except that the amount of taxes the unit imposes in the current year is used to calculate its allocation. Before the amount of taxes to be imposed for the current year is known, the allocation may be based on an estimate to which the district Board of Directors and the governing body of the unit agree, and the payments made after that amount is known shall be adjusted to reflect the amount imposed. The payments of a newly formed taxing unit that has no source of funds are postponed until the unit has received adequate tax or other revenues.

Property Tax Code Section: 6.06 (g-h)

BUDGET SURPLUS

It is the policy of the Board of Directors of the Denton Central Appraisal District that if the total amount of payments made and/or due to be paid each year by the taxing units participating in a

given fiscal year exceeds the amount actually spent or obligated to be spent during such fiscal year for which payments were made, such excess amount may be appropriated to the Assigned/Obligated Reserve fund accounts with the Appraisal District Budget and thereby obligated to be spent on the District Assigned/Obligated Reserve Fund, as approved by the Board of Directors. Should an Assigned/Obligated Reserve Fund not be provided or the surplus funds otherwise obligated, said surplus funds shall be refunded to the entities in accordance with state law. As an account reaches its maximum, additional funds shall be reassigned as the Board considers necessary.

Property Tax Code Section: 6.06

ANNUAL FINANCIAL AUDIT

It is the policy of the Board of Directors of the Denton Central Appraisal District that the Board will engage an independent third party auditor (audit firm) as the District's auditor of all of its financial records.

At least once each year, the Board of Directors shall have prepared an audit of its financial affairs by an independent Certified Public Accountant or the firm of an independent Certified Public Accountant.

The Board of Directors will engage the services of an independent auditor by bi-annual contract every other year.

The report of the audit is public record and a copy of an audit report shall be delivered to the presiding officers of all taxing entities participating in the District. Copies of the audit report will be available for inspection at the appraisal office.

The results of the financial audit shall be presented to the Board of Directors in a public meeting. If applicable, the Chief Appraiser shall respond to each audit finding by taking corrective action timely.

Property Tax Code Section: 6.063

DESIGNATION OF DEPOSITORY

The Board of Directors shall solicit bids for the District depository at least once every two years. The Board may delegate the administrative task of preparing a Request for Proposals (RFP) to solicit bids to the Chief Appraiser. The District depository must be a banking corporation incorporated under the laws of this state or the United States or a savings and loan association in this state whose deposits are insured by the Federal Savings and Loan Insurance Corporation. The Board shall designate the financial institution(s) that offer the most favorable terms, conditions or services for the handling of District funds. To the extent that funds in the depository are not insured by the Federal Deposit Insurance Corporation or the Federal Saving and Loan Insurance Corporation, they shall be secured in the manner provided by law for the security of funds of counties.

The Board and the depository may agree to extend a depository contract for one additional two-year period, as permitted by the Property Tax Code.

INVESTMENT OF PUBLIC FUNDS

It is the policy of the Denton Central Appraisal District to invest public funds in a manner which will provide the maximum safety of the principal with the highest investment return while meeting the daily cash flow demands of the District and conforming to all state statutes governing the investment of public funds.

The Board of Directors shall adopt by resolution not less than annually, the Investment Policy of the Denton Central Appraisal District in accordance with the Public Funds Investment Act (Texas Government Code, Chapter 2256).

The policy shall be kept and made available to the public upon request.

Government Code: Chapter 2256, Public Funds Investment Act

DESIGNATION OF INVESTMENT OFFICER

The Board of Directors designates the Director of Business Operations of the District as the Investment Officer to be responsible for the investment of its funds consistent with the investment policy adopted by the Board. Authority granted to a person to invest the District's funds is effective until rescinded by the Board or termination of the person's employment with the District.

In the administration of the duties of an investment officer, the Finance H/R Manager as Investment Officer shall exercise the judgment and care, under prevailing circumstances that a prudent person would exercise in the management of the person's own affairs but the Board of Directors of the District retains ultimate responsibility as fiduciaries of the assets of the District.

An employee is ineligible to be designated as an investment officer if that person meets any of the restrictions laid out in chapter 2256 of the Government Code. An employee designated as Investment Officer must meet all disclosure requirements listed under Government Code Chapter 2256.

The investment officer shall attend the required investment training at least once every two years as required by law. The two-year period begins on the first day of the District's fiscal year and consists of the two consecutive fiscal years after that date.

Government Code: Chapter 2256, Public Funds Investment Act

COMPETITIVE BIDDING REQUIREMENTS

The Denton Central 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.

For purposes of this section, all the provisions of Chapter 252, Local Government Code, applicable to a municipality or to purchases and contracts by a municipality apply to the appraisal district and to purchases and contracts by the appraisal district to the extent they can

be made applicable, and all references to the municipality in that chapter mean the appraisal district. For purposes of applying Section 252.061, Local Government Code, to the appraisal district, any resident of the appraisal district may seek an injunction under that section. Sections 252.062 and 252.063, Local Government Code, apply to an officer or employee of the appraisal district in the same manner those sections apply to a municipal officer or employee.

Property Tax Code Section: 6.11

CONFLICTS OF INTEREST

The Denton Central Appraisal District shall adhere to the requirements of Local Government Code 171 and 176 pertaining to conflicts of interest. They must fill out a conflict of interest form and recuse themselves from the conversation and voting on such items.

A vendor or other person who contracts or seeks to contract with the Denton Central Appraisal District shall file a completed conflict of interest questionnaire with the records administrator not later than the seventh business day after the date that the person:

- Begins contract discussions or negotiations with the appraisal district; or
- Submits to the appraisal district an application, response to a request for proposal or bids, correspondence, or writing related to a potential agreement with the appraisal district.

The District shall use the conflict of interest questionnaire and the conflict disclosure adopted by the Texas Ethics Commission.

A member of the Board of Directors for the Denton Central Appraisal District shall file a conflict disclosure statement with respect to a person described in Section A of the Texas Ethics Commission. If the person enters into a contract with the District or the District is considering entering into a contract with the person; and

- The person has an employment or other business relationship with Denton CAD or a Board member or a family member that results in the Board member or family member receiving taxable income, other than investment income, that exceeds \$2500 during the 12 month period preceding the date that the Board member becomes aware that:
 - o A contract described by subdivision 1 has been executed; or
 - o Denton CAD is considering entering into a contract with the person;
- Or the person has given to the Board member or member of their family one or more gifts that have an aggregate value of more than \$250 in the 12-month period preceding the date the Board member becomes aware that:
 - o A contract described by subdivision 1 has been executed; or
 - o Denton CAD is considering entering into a contract with the person.
- A Board member is not required to file a conflicts disclosure statement in relationship to a gift accepted by the Board member or family member if the gift is:
 - o Given by a family member of the person accepting the gift;
 - o A political contribution as defined by Title 15, Election Code; or
 - o Food, lodging, transportation, or entertainment accepted as a guest.
- A Board member who has a substantial interest in a business entity if:
 - o the person owns 10 percent or more of the voting stock or shares of the business entity or owns either 10 percent or more or \$15,000 or more of the fair market value of the business entity; or

- o funds received by the person from the business entity exceed 10 percent of the person's gross income for the previous year.
- o a person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more.
- o a local public official is considered to have a substantial interest under this section if a person related to the official in the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a substantial interest under this section.

A Board member shall file the conflict disclosure statement with the records administrator of Denton CAD not later than 5 pm on the seventh business day after the date on which the Board member becomes aware of the facts requiring the filing of the statement.

A Board member commits an offense if the member knowingly violates this section. An offense under Local Government Code Chapter 171 and 176 is a class C misdemeanor.

It is an exception to the application of this subsection if the person filed the required conflicts disclosure statement not later than the seventh business day after the date the person received notice from Denton CAD of the alleged violation.

Local Government Code: Chapter 171 and 176

LIABILITY OF BOARD MEMBERS

LIABILITY INSURANCE

It is the policy of the Denton Central Appraisal District to carry the directors and officers liability coverage which shall be paid for out of the District's annual operating budget. The minimum coverage provided shall be \$1,000,000 for each wrongful act with an annual aggregate total of \$2,000,000.

The liability insurance covers:

- Members of the Board of Directors
- The Ex Officio Member
- Members of the Appraisal Review Board
- The Chief Appraiser
- All Employees of the District (including temporary or part-time employees)

LITIGATION ARISING FROM PERFORMANCE OF OFFICIAL DUTIES

This provision is applicable to the following personnel associated with the Denton Central Appraisal District:

- Members of the Board of Directors
- The Ex Officio Member
- Members of the Appraisal Review Board
- The Chief Appraiser
- All Employees of the District (including temporary or part-time employees)

Should any of the above personnel involuntarily become a defendant in any civil or criminal litigation brought against them pursuant to the performance of their official duties, it shall be the

policy of the Denton Central Appraisal District to provide a defense of such legal or administrative action and pay for the costs thereof including attorneys' fees incurred in defending said litigation or administrative action, but only to the extent the accused person or conduct is not covered by insurance.

It shall further be the policy of the District that immediately upon being notified that an administrative or litigation action has been instigated against a District representative covered above, the Chief Appraiser shall inform all insurance carriers of the situation and determine as soon as possible what the insurance will cover. If it is determined that insurance coverage does not exist in full or in part, or is denied entirely, the engagement and selection of the attorney who will defend affected personnel shall be left wholly to the discretion of the Denton Central Appraisal District Board of Directors.

In addition, should any judgment for money damages be finally rendered against any of the above personnel as a result of said administrative action or litigation brought against such persons pursuant to the performance of such person's official duties, it shall be left wholly to the discretion of Denton Central Appraisal District Board of Directors to pay any judgment or other liability rendered against the affected person(s) which are not covered by insurance.