



METHODS AND ASSISTANCE PROGRAM 2019 REPORT

MMAP



Glenn Hegar Texas Comptroller of Public Accounts

Glenn Hegar
Texas Comptroller of Public Accounts
2018-19 Final Methods and Assistance
Program Review

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

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

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

Appraisal District Ratings:

Meets All – The total point score is 100

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

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

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

Unsatisfactory – The total point score is less than 75

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

Glenn Hegar
Texas Comptroller of Public Accounts
2018-19 Final Methods and Assistance Program Tier 3 Review

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

GOVERNANCE

Governance Review Question	Answer	Recommendation
1. Does the appraisal district board of directors regularly evaluate the chief appraiser?		
2. Has the appraisal district's investment officer attended investment training as required by Government Code Section 2256.008?		
3. Has the chief appraiser calculated the number of votes to which each taxing unit is entitled and delivered written notice of the voting entitlement before October 1 of the most recent odd-numbered year as described in Tax Code Section 6.03(e) or if the appraisal district falls under 6.031, have they received nominating resolutions by December 1st?		
4. Before October 30, did the chief appraisal prepare a ballot, listing the candidates whose names were timely submitted and deliver a copy to each taxing unit that is entitled to vote in accordance with Tax Code Section 6.03(j)?		
5. Did the board of directors meet at least quarterly with a quorum in the previous year as required by Tax Code Section 6.04(b)?		
6. Was the most recent written reappraisal plan adopted by the appraisal district's board of directors by the Sept. 15 deadline listed in Tax Code Section 6.05(i)?		
7. Did the appraisal district board of directors provide notice of and host a public hearing for the 2017-18 reappraisal plan by September 15, 2016 or the 2019-20 reappraisal plan by September 15, 2018 pursuant to Tax Code Section 6.05(i)?		

Governance Review Question	Answer	Recommendation
8. Was the appraisal district's most recent preliminary budget produced and delivered to the taxing units according to the requirements of Tax Code Section 6.06(a)?		
9. Did the appraisal district prepare and post the most recent budget notice according to the requirements of Tax Code Section 6.062?		
10. Did the appraisal district board of directors provide notice of and host a public hearing for the most recent budget and approve a budget before September 15 according to the requirements of Tax Code Section 6.06(b)?		
11. Has the chief appraiser appointed a qualified agricultural appraisal advisory board and has that board met at least once within the previous year, as required by Tax Code Section 6.12?		
12. Did the appraisal district deliver a copy of the CADs most recent financial audit report to each taxing unit as described in Tax Code Section 6.063(b)?		
13. Do the current appraisal district board of director members meet the criteria listed in Tax Code Section 6.03(a) and 6.035(a)(2)?		
14. Did the chief appraiser prepare and deliver to the board of directors a list of nominees submitted by the entities to fulfill a BOD vacancy and did the board of directors elect, by majority vote, one of the nominees in accordance with Tax Code Section 6.03(l)?		
15. Are allocation statements sent to each taxing unit as described in Tax Code Section 6.06(e)?		

TAXPAYER ASSISTANCE

Taxpayer Assistance Review Question	Answer	Recommendation
16. Is the information on the appraisal district's website up-to-date?		

Taxpayer Assistance Review Question	Answer	Recommendation
17. Does the appraisal district report, and make available to the public, the metered amount of electricity, water or natural gas consumed for which it is responsible to pay and the aggregate costs for those utility services as required by Government Code Section 2265.001?		
18. Has the appraisal district developed an annual report in each of the previous two calendar years, and is it made available to the public as described in IAAO's Standard on Public Relations?		
19. Are the written complaint procedures for the appraisal district made available to the public?		
20. Are the complaint procedures for the appraisal review board made available to the public upon request?		
21. Does the appraisal district have a procedure for receiving and responding to open records requests that complies with Government Code Chapter 552 and is the procedure being followed?		
22. Does the appraisal district notify property owners when denying, modifying or cancelling exemptions as described in Tax Code Sections 11.43(h) and 11.45(d)?		
23. For residence homestead exemptions cancelled after Sept. 1, 2015, did the appraisal district follow the procedure described in Tax Code Section 11.43(q) for individuals who are 65 years of age or older?		
24. Did the appraisal district publicize the notices required by Tax Code Sections 11.44(b), 22.21, 23.43(f), 23.54(g) and 23.75(g) in a manner designed to reasonably notify all property owners?		
25. Does the appraisal district include with each notice sent under Tax Code Section 25.19 to an eligible property owner, instructions for accessing and using the electronic protest system as described in Tax Code Section 41.415?		

Taxpayer Assistance Review Question	Answer	Recommendation
<p>26. Has the appraisal district implemented a system that allows the owner of a property that has been granted a homestead exemption to electronically receive and review comparable sales data and other evidence that the chief appraiser intends to use at the protest hearing before the appraisal review board, as required by Tax Code Section 41.415(b)(2)?</p>		

OPERATING PROCEDURES

Operating Procedures Review Question	Answer	Recommendation
<p>27. Did the appraisal district timely submit the Comptroller's most recent appraisal district operations survey?</p>		
<p>28. Does the appraisal district receive and process arbitration requests as described in Tax Code Section 41A.05 and Comptroller Rule 9.804(b)(5)?</p>		
<p>29. Did the appraisal district compile a partial exemption list as described in Tax Code Section 11.46 and Comptroller Rule 9.3010 and was the most recent list made available to the public?</p>		
<p>30. Not later than April 30 of the most recent year, did the appraisal district prepare and certify to the assessor for each county, municipality and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unit as described by Tax Code Section 26.01(e)?</p>		
<p>31. Did the chief appraiser prepare and certify the two most recent appraisal rolls to the assessor for each taxing unit participating in the district as described in Tax Code Section 26.01(a)?</p>		
<p>32. For changes made to the appraisal roll under Tax Code Section 25.25, are the changes coded by the appropriate subsection that authorizes the change?</p>		

Operating Procedures Review Question	Answer	Recommendation
33. Are corrections of the appraisal roll presented to the appraisal district's board of directors and appraisal review board as described in Tax Code Section 25.25(b)?		
34. When the appraisal roll is changed according to Tax Code Section 25.25(d), does the appraisal district notify the tax assessor-collector that a 10 percent penalty should be charged to the property owner and, if the appraisal district also performs collection functions, is a 10 percent penalty assessed according to the requirements of Tax Code Section 25.25(d)?		
35. Has the appraisal district's records retention schedule that is on file with the State Library and Archives Commission, as described in Local Government Code Section 203.041, been implemented?		
36. Does the appraisal district have comprehensive and workable written procedures concerning disaster recovery and mitigation?		
37. Does the chief appraiser submit the completed appraisal records to the appraisal review board for review and determination of protests as described in Tax Code Section 25.22?		
38. Do the appraisal review board's orders of determination comply with the requirements of Tax Code Sections 41.47(c)(1) and (2) and the Comptroller's model hearing procedures as they relate to Tax Code Section 5.103(b)(2)?		
39. Does the appraisal district provide evidence during the appeals process?		
40. Did the appraisal review board hear and determine all or substantially all timely filed protests; determine all timely filed challenges; submit a list of approved changes in the records to the chief appraiser; and approve the appraisal records by the deadline established in Tax Code Section 41.12 in the previous year?		
41. Are properties correctly categorized according to PTAD classification guidelines?		

Operating Procedures Review Question	Answer	Recommendation
42. Are exempt properties correctly categorized in accordance with the PTAD Property Classification Guide?		
43. Did the appraisal district send copies of the most recent reappraisal plan to the presiding officers of the governing body of each taxing unit participating in the district and to the Comptroller by the date described in Tax Code Section 6.05(i)?		
44. Does the appraisal district's written reappraisal plan define the market areas in the county as required by Tax Code Section 25.18?		
45. Does the appraisal district's written reappraisal plan identify the properties to be appraised in each year covered by the plan as required by Tax Code Section 25.18 and have all scheduled activities been completed timely?		
46. Did the appraisal district submit the two most recent electronic appraisal rolls to the Comptroller timely?		
47. Did the appraisal district submit the two most recent electronic property transactions submissions to the Comptroller timely?		
48. Are sales provided in the most recent electronic property transaction submission valid sales?		

APPRAISAL STANDARDS, PROCEDURES AND METHODOLOGY

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
49. Have the inspection dates in the appraisal records been updated within the previous six years as discussed in IAAO's <i>Standard on Mass Appraisal of Real Property</i> ?		
50. Do the appraisal district's appraisal cards contain all of the information as required by Comptroller Rule 9.3001?		

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
51. Did the appraisal district complete and produce written mass appraisal reports in the previous two years as required by USPAP Standard 6?		
52. Do the appraisal district's contracts contain the items described in IAAO's <i>Standard on Contracting for Assessment Services</i> ?		
53. Does the appraisal district follow a procedure or process for reviewing, verifying or evaluating the work of their appraisal services and mapping contractors?		
54. Does the appraisal district run ratio studies by market area and neighborhood, property class, or stratum?		
55. Are the appraisal district's cost schedules and appraisal models used in such a way that adjustments are made for neighborhood factors and property specific factors?		
56. Has the appraisal district adjusted its residential property cost schedules based on sales data, ratio studies, local conditions or market factors within the previous two years?		
57. Has the appraisal district adjusted its commercial property cost schedules based on sales data, ratio studies, local conditions or market factors within the previous two years?		
58. Does the appraisal district follow its written procedures for inspecting new personal property accounts in the 12 months after they are created, as discussed in IAAO's <i>Standard on Valuation of Personal Property</i> ?		
59. Does the appraisal district apply the rendition penalty for taxpayers who do not render timely according to Tax Code Section 22.28 and are penalties waived when necessary, as described in Tax Code Section 22.30?		
60. Does the appraisal district perform multiple quality control steps to ensure the accuracy and uniformity of property valuations?		

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
61. Does the appraisal district gather income and expense data and calculate values using the income approach for warehouse properties/mini storages?		
62. Are multi-family low income properties appraised in accordance with Section 23.215 and 11.1825(q) of the Property Tax Code?		
63. Does the appraisal district collect land sales and maintain a verified land sales file and does the appraisal district gather available real estate transfer documents and use available third-party sources in gathering sales information, according to IAAO's Standard on Verification and Adjustment of Sales, Sections 3.1 and 3.4?		
64. Does the appraisal district collect residential property sales and maintain a verified residential sales file and does the appraisal district gather available real estate transfer documents and use available third-party sources in gathering sales information, according to IAAO's Standard on Verification and Adjustment of Sales, Sections 3.1 and 3.4?		
65. Are net-to-land calculations for agricultural use land designated as dry and irrigated cropland reproducible from the appraisal district's records and is the appraisal district following their dry and/or irrigated cropland schedule?		
66. Are net-to-land calculations for agricultural use land designated as native pasture reproducible from the appraisal district's appraisal records and is the appraisal district following their native pasture schedule?		
67. Does the appraisal district properly apply minimum acreage requirement for Wildlife properties in accordance with Comptroller Rule 9.2005?		
68. Does the appraisal district perform inspections of properties as a result of receiving wildlife management use appraisal applications?		

Appraisal Standards, Procedures and Methodology Review Question	Answer	Recommendation
69. Does the appraisal district perform inspections of properties as a result of receiving agricultural use appraisal applications?		
70. For properties that have been granted agricultural use appraisal, are completed applications and required documentation on file?		
71. Have agricultural appraisal intensity-of-use standards been evaluated or updated within the previous five years?		
72. Is the appraisal district following their current guidelines for degree of intensity standards when granting special valuation appraisal for agricultural and/or timber use?		
73. Does the appraisal district make an entry on the appraisal records when agricultural applications are received after April 30 and deliver written notice of imposition of the penalty as described in Tax Code Section 23.431?		