

CONSTITUTION AND BYLAWS

of the

Texas Association of Appraisal Districts, Inc.

ARTICLE I

NAME AND PURPOSE

Section 1: Name. The name of this organization shall be the TEXAS ASSOCIATION OF APPRAISAL DISTRICTS, INC., a Texas non-profit corporation (hereinafter referred to as "Association").

Section 2: Purpose. The purpose of the Association shall be to promote the effective and efficient functioning of appraisal districts and aid in the improvement of the administration thereof in the State of Texas. To accomplish this objective the Association shall:

- a. Conduct, independently or in cooperation with others, seminars, conferences, courses and research projects for the betterment of appraisal districts as directed by the Delegate Assembly or the Executive Board;
- b. Identify and provide those services which the Association members reasonably need and desire;
- c. Provide current information concerning appraisal districts, including changes in the law and technology;
- d. Inform appraisal districts' boards and chief appraisers about proposed legislation in order to promote a good working relationship between appraisal districts and state government to appropriately effect proposed legislation;
- e. Increase public understanding of the function of appraisal districts;
- f. Bring about a cooperative spirit among all groups interested in the success of the appraisal district concept as outlined in law; and
- g. Encourage sound management and fiscal responsibility for appraisal districts in the State of Texas.

Section 3: Standards of Professional Conduct.

- a. To ensure that all practicing members are exposed to the basic principles of ad valorem taxation, the

Texas Association of Appraisal Districts emphasizes the following: Estimating market value or appraising property for ad valorem tax purposes consists of (1) identifying the type of property being valued and the property rights being appraised; (2) understanding the characteristics of the real estate market in the particular appraisal district; and (3) representing or reproducing a model of that market in each appraisal cycle.

b. In defining how these basic principles translate into appraisal and assessment practices that should be performed with a high degree of standardization in all appraisal offices, the Texas Association of Appraisal Districts advises the following: Effectively identifying properties to be appraised requires a good ownership mapping system incorporating unique property identifiers, most often a number. Such a system yields needed information on property characteristics as well as location. Identifying the rights to be valued involves determining if the full "bundle of rights" exists or if only a leasehold or other possessory interest is to be appraised.

Understanding the area real estate market requires gathering data on income trends, interest rates, lending policies, housing prices and rental rates as well as land availability, construction costs, zoning codes, building codes and environmental factors.

Whether appraising residential or commercial property, whether appraising real or business personal property, all appraisal districts should adhere to the appraisal procedures and practices in the official appraisal manual adopted by the State Comptroller, "Property Appraisal and Assessment Administration" published by the International Association of Assessing Officers.

c. As a set of standards of appraisal practice and ethical professional conduct to be used as guidelines by all practicing members, the Texas Association of Appraisal Districts urges that:

Members realize the importance of ethical professional conduct in public service and know that as public servants they must always perform their jobs in the public trust, using resources only for the public good.

Members must never pursue private interests or earn personal benefit because of their public service. They must also be independent of special interests and political agendas and use informed objective judgment in all decisions, relationships, actions and communications.

Members must do all in their power to ensure that the appraisal districts' business is conducted ethically, openly, efficiently and responsively to the public will. Individually and collectively, they hold themselves accountable to the people they serve.

Members respect and honor both the principles and the spirit of representative government and set positive examples by always observing the will of the people they serve in accord with the rules of the government organizations they man.

Members promote public confidence in the property tax system by being not only qualified and properly trained for their positions, but, just as important, by conducting themselves in all situations with honesty, fairness, consideration and respectfulness.

ARTICLE II

MEMBERSHIP

Section 1: Member Appraisal Districts. Active members of Member Appraisal Districts shall include the appraisal district boards of directors, the chief appraisers, the appraisal district employees and Appraisal Review Board members of those appraisal districts which have paid their annual membership fee.

Section 2: Member Appraisal District Termination. An appraisal district membership may be terminated only upon a recommendation adopted by a two-thirds vote of a quorum of the Executive Board present at an Executive Board meeting at which the reasons for termination are considered and when such recommendation is ratified by a majority of those members of the Delegate Assembly present and voting.

Section 3: Member Appraisal District Resignation. A member appraisal district may resign its membership in the Association by written notice to the Secretary/Treasurer of its desire to do so, and its resignation shall be accepted. No refund will be issued.

Section 4: Associate Members. Associate members shall be the chief appraiser, board of directors, appraisal review board members and employees of any appraisal district that is not a member appraisal district, the employees of taxing units, the employees of the Comptroller of Public Accounts Property Tax Assistance Division and of the Texas Department of Licensing and Regulation.

Associate members shall not be entitled to vote on the election of officers, amendments to bylaws, adoption of resolutions, policies, beliefs or any matter coming before the Delegate Assembly. Associate members cannot hold elective office.

Section 5: Affiliate Members. Affiliate members shall be those individuals actively engaged in the property tax profession who are not eligible for member appraisal district membership or associate membership. All affiliate memberships are subject to approval of the Executive Board.

Affiliate members shall not be entitled to vote on the election of officers, amendments to bylaws, adoptions of resolutions, policies, beliefs or any matter coming before the Delegate Assembly. The Executive Board shall have the authority to change the amount of fee by a majority vote of its members.

Section 6: Retired Members. Retired members shall include a chief appraiser who was a member of the Association at retirement and is no longer active in the property tax profession. Any TAAD past president is also eligible for this membership category.

Retired members shall not be entitled to vote on the election of officers, amendments to bylaws, adoptions of resolutions, policies, beliefs or any matter coming before the Delegate Assembly. Retired members cannot hold elective office.

Section 7: New Members. October 15 of each year shall be the earliest date a new member may join and pay the membership fees for the following year.

ARTICLE III

REGIONAL DIVISION OF THE STATE

Section 1: Regions. The State of Texas Shall be divided into twenty (20) regions. The regional boundaries shall be the same as those of the regional educational service centers as of January 1, 1991.

Section 2: Regional Trustee. There shall be one regional trustee elected in each region. Only a board member, chief appraiser, assistant or deputy chief appraiser or in-house general counsel may serve as a regional trustee.

ARTICLE IV

ANNUAL MEMBERSHIP FEES

Section 1: Member Appraisal Districts.

a. The annual membership fee for member appraisal districts shall be established and reviewed annually by the Executive Board. The Executive Board shall have the authority to change the amount of fees by a majority vote of its members, as recommended by the Budget & Finance and Membership Committees.

b. A statement of fees shall be mailed to each member appraisal district on or before November 1 of each fiscal year. Fees will be due January 1 of each fiscal year.

c. A member district's annual membership fee must be paid prior to the Delegate Assembly in order for the member district to participate in assembly activities.

Section 2: Associate Members. The annual membership fee for associate members shall be established and reviewed annually by the Executive Board. The Executive Board shall have the authority to change the amount of fees by a majority vote of its members.

Section 3: Affiliate Members. The annual membership fee for affiliate members shall be established and reviewed annually by the Executive Board. The Executive Board shall have the authority to change the amount of fees by a majority vote of its members.

Section 4: Retired Members. The annual membership fee shall be established and reviewed annually by the Executive Board. The Executive Board shall have the authority to change the amount of fee by a majority vote of its members.

ARTICLE V

DELEGATE ASSEMBLY

Section 1: Policy-Making Body. The general policy-making body of the Association shall be known as the Delegate Assembly.

Section 2: Powers of Delegate Assembly. The Delegate Assembly:

- a. Shall elect the elective officers of the Association as herein provided;
- b. Shall use Robert's Rules of Order, Newly Revised, and may adopt other rules of procedures for the conduct of meetings of the Delegate Assembly which do not violate these bylaws;
- c. May adopt resolutions, beliefs, and policies pertinent to the purpose and objectives of the Association;
- d. May adopt amendments to the bylaws as herein provided;
- e. May delegate to the Executive Board any of its powers except those of the election of elective officers, the adoption of amendments to these bylaws, the termination of active membership, and the adoption of resolutions, beliefs, and policies of the Association.

Section 3: Composition. The Delegate Assembly shall consist of voting delegates and the Executive Board. Each member appraisal district of the Association shall be entitled to one vote as a delegate. Each member appraisal district shall be entitled to one vote on the election of officers, amendments to bylaws, adoption of resolutions, policies, and beliefs or any matter coming before the Delegate Assembly. The vote shall be cast by the certified voting delegate (board member or chief appraiser) selected and appointed by the respective member appraisal district or the alternate voting delegate who shall have been designated by the respective member appraisal district. The alternate voting delegate may be a chief appraiser, board member, Appraisal Review Board member or appraisal district staff member of the respective member districts. A member district's annual membership fee must be paid prior to the Delegate Assembly in order for the member district to participate in assembly activities.

Section 4: Certification of Delegates. The Secretary/Treasurer shall notify member appraisal districts of the date before which certification of delegates must be made. The appraisal districts shall certify to the Association's executive director the name of their voting delegate and alternate before a designated deadline for such certification.

Section 5: Meetings.

- a. At the Association's annual meeting, the date for the following year's annual meeting will be announced. Special meetings of the Delegate Assembly may be called by the Executive Board at such time and place as may be determined and for such purposes as warrant the call of such special meetings, the call for a special meeting shall be made not less than fourteen days prior to the meeting date.
- b. At least thirty days prior to the annual meeting, due and ample notice of the date, place of meeting, and agenda of the Delegate Assembly shall be given to the membership by the Executive Board or by the President through the medium of Association publications and any other means as may be employed by the Executive Board or the President. The agenda for meetings of the Delegate Assembly shall be established and approved by the Executive Board.

Section 6: Delegate Assembly Vote.

- a. A certified delegate shall have the right to one vote on any issue at any meeting of the Delegate Assembly, if present in the meeting when the vote is taken.

b. A quorum for the transaction of business shall consist of one-fourth of the active membership in good standing as certified by the Membership Committee prior to the beginning of the meeting.

Section 7: Officers of the Delegate Assembly. The officers of the Delegate Assembly shall be the elected officers of the Association.

Section 8: Resolutions, Policies, and Beliefs.

a. Proposed changes to the policies and beliefs of the Association and proposed resolutions for consideration by the Delegate Assembly must be submitted in writing to the Bylaws Committee by October 1 prior to the Delegate Assembly. Proposed changes to the policies and beliefs of the Association and proposed resolutions may be submitted by member appraisal districts or the Executive Board of the Association.

b. The Bylaws Committee shall study all proposed resolutions, beliefs, and policies received. Any modification to submitted resolutions, policies, and beliefs will be communicated to the submitting member appraisal districts for their approval. The Executive Board may review resolutions submitted and reserves the right to accept, reject or amend resolutions, policies, and beliefs which it determines are not timely or pertinent to the Association and may delegate said authority to the Bylaws Committee.

c. Proposed resolutions, policies, and beliefs which are not submitted as provided for in this section must be of an emergency nature. The Executive Board or the Bylaws Committee must review all resolutions submitted under the Emergency Resolutions provision along with the supporting documentation justifying the nature of emergency. The Executive Board reserves the right to accept or reject all resolutions submitted under the Emergency Resolution provision if, in its judgment, an emergency situation does not exist.

d. The adoption of a resolution, policy, or belief shall require a majority vote of the delegates present and voting.

e. Proposed resolutions, policies, and beliefs which are not submitted in accordance with this section shall not be considered by the Delegate Assembly unless a simple majority vote of the delegates present and voting elects to suspend the rules to consider such late proposals.

Section 9. Election Process. The Delegate Assembly shall follow this election procedure when voting on officers:

a. The Delegate Assembly shall elect the officers of the Association at the annual meeting of the Association.

b. The Delegate Assembly shall vote on each officer position individually, in the following order: President-Elect, Vice President, and Secretary/Treasurer. The current President shall present the nominees for the specified position, take any floor nominations, and continue the nomination and voting process following Robert's Rules of Order, Newly Revised.

c. If there are two candidates for an office, the person receiving the larger number of votes shall be elected to such office. In the event there are three or more candidates for an office, and if a majority vote of the delegates present and voting is not received by any candidate for such office, there shall be a run off between the two candidates receiving the largest number of votes.

Section 10. Emergency Resolutions. The Bylaws, Resolutions, Policies & Beliefs Committee shall review all resolutions submitted by a member appraisal district after the October 1 cutoff date and shall accept for agenda placement all emergency resolutions which it determines are of such urgency and importance that they merit consideration by the voting delegates.

An emergency resolution may only address issues which have arisen after the deadline for submission of resolutions has occurred and which the Bylaws, Resolutions, Policies & Beliefs Committee considers to require discussion by the delegates for effective resolution. Resolutions not ruled an emergency by the Bylaws, Resolutions, Policies & Beliefs Committee will not be put before the Delegate Assembly.

Emergency resolutions that are placed on the resolutions agenda shall be acted upon by the delegates prior to consideration of regular resolutions in the order determined by the Bylaws, Resolutions, Policies & Beliefs Committee.

Emergency resolutions shall not be routinely granted so as to preserve adequate time for consideration by member districts.

ARTICLE VI

EXECUTIVE BOARD

Section 1: Executive Board Qualification, Nomination & Election.

a. Each voting member of the Executive Board shall be a member of the board of directors, chief appraiser, assistant or deputy chief appraiser or in-house general counsel of a member appraisal district. Any member of the Executive Board who ceases to be an appraisal district board member, chief appraiser, assistant or deputy chief appraiser or in-house general counsel of a member appraisal district shall also cease to be a member of the Executive Board.

b. At least thirty days prior to the annual meeting of the Delegate Assembly, each regional trustee shall call a meeting of member appraisal districts in his respective region. For each member appraisal district, the current regional trustee shall notify the appraisal district board chairman and chief appraiser of the time and place of meeting. Those member appraisal districts in attendance at said meeting shall elect the regional trustee to represent their region for the following two year term. Each member appraisal district shall be entitled to one vote for the trustee for its region.

Section 2: Duties. The Executive Board shall supervise, control, and direct affairs of the Association, within the limits of and consistent with the beliefs and policies promulgated by the Delegate Assembly and bylaws. The Executive Board shall actively promote the purposes of the Association, shall adopt the Association's budget, and shall have the discretion in the disbursement of the Association's funds. The Executive Board may adopt such rules and regulations for the conduct of the Association business as it shall deem advisable, and may in the execution of its powers appoint such agents as it may consider necessary.

Section 3: Removal. Members of the Executive Board who are absent from three consecutive regularly scheduled meetings may be subject to removal from the Executive Board by the majority vote of the remaining members. Any Executive Board member may be removed by a two-thirds vote of the total Executive Board when in its judgment the best interest of the Association would be served by removal.

Section 4: Composition. The Executive Board shall be composed of all officers and twenty regional trustees. One trustee shall be elected by each of the twenty regions and shall represent member appraisal districts within the respective region.

The Executive Board may appoint ex-officio members of the Executive Board without voting rights.

Section 5: Duration of Office.

a. Regional trustees shall be elected to two-year terms. Each trustee shall be limited to two complete consecutive terms. He/she shall be again eligible for re-election after one year's absence. The offices of those trustees from odd-numbered regions elected in 1982 shall be subject to re-election in 1983. Terms of office shall then be staggered to allow for the election of one-half of the regional trustees each year. The trustees for odd-numbered regions shall take office in odd-numbered years, even-numbered regions in even-numbered years. No member appraisal district shall have more than one member on the Executive Board.

b. A member of the Executive Board may resign by submitting a written resignation to the President of the Association. The resignation shall become effective upon acceptance by the Executive Board.

c. The term of office for regional trustee shall begin January 1 of the first year for which the trustee is elected to serve, and end December 31 of the second year of the term.

Section 6: Meetings. The Executive Board shall hold at least one meeting in each calendar quarter per year at such time and place as determined by the Executive Board. One meeting shall be held immediately preceding the Delegate Assembly of the Association. The date of the other meetings shall be set by the Executive Board in each fiscal year with the adoption of an annual calendar. The Executive Board members shall

be given fifteen days notice prior to each regular meeting. Additional meetings of the Executive Board may be called by the President or by the written request of a majority of the members of the Executive Board provided that a written notice is sent to each member of the Executive Board at least ten days prior to the meeting.

Section 7: Quorum and Voting.

a. A quorum shall consist of a majority of the full voting membership of the Executive Board.

b. Unless otherwise specifically provided by these bylaws, a majority vote shall govern.

c. The President may request action by the Executive Board between meetings of the Executive Board by mail ballot. Action taken by mail ballot by a majority of all members of the Executive Board shall constitute a valid action and shall be reported at the next meeting of the Executive Board.

Section 8: Vacancies. Vacancies among the regional trustees on the Executive Board shall be filled according to the election procedures described above by member appraisal districts in the respective regions in which the vacancies occur. In the event a regional trustee is not elected or a vacancy occurs, it becomes the duty of the Executive Board to appoint a member of that region as temporary regional trustee, who would be responsible for holding an election within 90 days after the appointment for regional trustee to serve out the regular term of regional trustee. A trustee who serves out an unexpired term will be allowed to finish serving that term, plus no more than two complete consecutive terms.

ARTICLE VII

ASSOCIATION OFFICERS

Section 1: Titles. The elected officers of the Association shall consist of a President, a President-Elect, a Vice President, and a Secretary/Treasurer.

Section 2: Qualification, Nomination, Election and Term of Office.

a. Each officer shall be a member of the board of directors, the chief appraiser, assistant or deputy chief appraiser or in-house general counsel of a member appraisal district .

b. By 120 days prior to the Delegate Assembly meeting at the annual meeting of the Association, member appraisal districts shall have the privilege of nominating a candidate for President-Elect, Vice President, and Secretary/Treasurer by having fifteen member appraisal districts submit resolutions approved or endorsed by their respective boards of directors for a candidate. The Nominations Committee shall include all such candidates on the official ballot. At least 90 days prior to the Delegate Assembly meeting at the annual meeting of the Association, the Nominations Committee shall nominate one person for the office of President-Elect, Vice President, and Secretary/Treasurer. The slate of officer-nominees shall be sent to the member appraisal districts at least thirty days prior to the Delegate Assembly meeting at the annual meeting of the Association.

c. The officers of the Association shall be elected each year by the Delegate Assembly at the Annual meeting of the Association for a term of one year. The official ballot shall be prepared by the Nominations Committee in accordance with the Association bylaws.

d. The term of office of each officer shall begin at the close of the Delegate Assembly meeting at the annual meeting of the Association. The President-Elect chosen at the last Delegate Assembly shall automatically assume the office of President. Each officer shall serve until a successor is elected. No elected officer shall serve for more than one full term consecutively in the same office except the Secretary/Treasurer who may serve for no more than two consecutive terms.

Section 3: Vacancies.

a. If there is a vacancy for any reason in the office of the President, the President-Elect shall succeed to the office immediately, and shall have all the powers and perform all the duties of the office.

b. If there is a vacancy for any reason in the office of the President-Elect, the Vice President shall succeed to the office immediately, and shall have all the powers and perform all the duties of the office.

c. If there is a vacancy for any reason in any office which cannot be filled by these provisions for succession to office, or if the next officer in the line of succession does not wish to accept the office, the Executive Board shall appoint an officer pro-tempore to perform the duties of the vacated office until the office is filled by an election by the Delegate Assembly at the annual meeting of the Association.

Section 4: President.

a. It shall be the duty of the President to preside at all meetings of the Association and to perform all duties incident to the office of President and other duties as may be prescribed from time to time by the Executive Board.

b. The President shall appoint all standing, trust, and special committees with due consideration given to representation by appraisal district size and geographic location.

Section 5: President-Elect. The President-Elect shall be a member of the Executive Board and shall perform such duties as shall be assigned by the Executive Board and the President. The President-Elect when

thus active shall have the powers of and be subject to all restrictions placed upon the President.

a. The President-Elect shall be responsible for establishing goals, objectives, and priorities for the next year.

b. The President-Elect shall be responsible for working with the appropriate committees in establishing financial and budgeting priorities for the next year.

c. The President-Elect shall serve as a non-voting ex-officio member of all committees.

Section 6: Vice President. It shall be the duty of the Vice President to perform the duties of the President-Elect in his absence or in the event of his inability or refusal to act. The Vice President when thus acting shall have the powers of and be subject to all restrictions placed upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or the Executive Board.

Section 7: Secretary/Treasurer.

a. The Secretary/Treasurer shall be responsible for the supervision of all funds and securities and financial records of the Association; shall be the custodian of the corporate records and proceedings of the Association and Executive Board; shall see that all notices are duly given in accordance with the provision of these bylaws, or as required by law; and shall perform all duties incident to the office of Secretary/Treasurer and such other duties as from time to time may be assigned by the President or the Executive Board.

b. The Secretary/Treasurer shall make an annual report to the membership at the annual meeting of the Association, and make such other reports concerning the office and affairs of the Association as may from time to time be requested by the Executive Board.

Section 8: Past President. The outgoing President shall remain as a voting officer to the Board in the capacity of Past President for the year following his or her time of office.

Section 9: Executive Committee.

a. The Executive Committee may act in place and instead of the Executive Board between Board meetings on matters, except those specifically reserved to the board by these bylaws, pursuant to the delegation of authority to such Committee by the Executive Board. Action of the Executive Committee shall be reported to the Executive Board by mail or at the next Board meeting.

b. The Executive Committee shall consist of the President, President-Elect, Vice President, Secretary/Treasurer, and the Immediate Past President. The President shall serve as Chairman.

c. A majority of the Executive Committee shall constitute a quorum at any duly called meeting of the Committee. The Chairman shall call such meetings of the Executive Committee as the business of the Association may require.

d. The Executive Committee shall evaluate the executive director. The Executive Committee has the authority to establish guidelines to carry out this responsibility.

e. The Executive Committee shall report its action to the Executive Board. The Executive Board has the power to rescind any Executive Committee action, based on a three-fourths vote of the Executive Board at a meeting on the action.

ARTICLE VIII

COMMITTEES

Section 1: Standing Committees.

a. The President shall appoint the chairperson, vice chairperson and members of the following standing committees with the approval of the Executive Board:

1. Budget and Finance Committee
2. Bylaws, Resolutions, Policies & Beliefs (referred to as "Bylaws" Committee)
3. Conference Committee
4. Education Committee
5. Legislative Committee
6. Membership Committee
7. Nominations Committee

b. Each standing committee shall have no fewer than three members. In order to ensure continuity of the committee operation, all standing committees shall serve two-year staggered terms. The incoming President shall have the responsibility of appointing committee members to fill positions where terms have expired, along with filling any vacancies. No individual should serve on more than two standing committees. Majority membership on a standing committee is limited to chief appraisers, appraisal district directors, assistant or deputy chief appraisers or the in-house general counsel of a member appraisal district.

c. The incoming President may choose to appoint additional individuals who are members in good standing of the Association to any committee as necessary to address particular issues, bring expertise in subject matter, or to properly perform or more effectively carry out the work and purposes of the Association.

d. A member of a committee who is absent, without notice, from two consecutive meetings during a calendar year may be subject to removal from the committee by the majority vote of the remaining members. A committee member may be removed by a two-thirds vote of the committee when in its judgment the best interest of the Association would be served by removal.

Section 2: Budget and Finance Committee. The Budget and Finance Committee shall:

- a. Prepare recommendations on the annual budget for the Executive Board;
- b. Prepare and submit to the Executive Board a report and analysis of the finances of the Association;
- c. Study and recommend the investment of surplus Association funds;
- d. Advise on the condition of funds in trust;
- e. Present an annual financial report;
- f. Be responsible for an audit of the accounts; and
- g. Review and recommend annually on the Association's membership dues.

h. The Secretary/Treasurer shall serve as chairperson of the committee.

Section 3: Bylaws, Resolutions, Policies and Beliefs Committee. The Bylaws, Resolutions, Policies and Beliefs Committee, referred to herein as "Bylaws", shall:

a. Study and recommend to the Executive Board any proposed changes in the bylaws, policies and beliefs of the Association; and

b. Coordinate and review all resolutions submitted by the member appraisal districts for consideration of the Delegate Assembly.

Section 4: Conference Committee. The Conference Committee shall:

a. Establish the program, including topics, events, and speakers for the annual conference of the Association;

b. Report to the Executive Board information on the conference;

c. Set the registration fees, event fees, and booth space fees for the annual conference; and

d. Work with staff on the development of topics and events as needed.

Section 5: Education Committee. The Education Committee shall:

a. Research educational needs of the membership and report to the Executive Board; and

b. Work with staff in development of courses, seminars and/or conferences addressing the membership needs as instructed by the Executive Board.

Section 6: Legislative Committee. The Legislative Committee shall:

a. Review proposed or filed legislation for impact to appraisal district operations;

b. Propose a legislative program to the Executive Board prior to a regular legislative session;

c. Propose a position for the Association, with approval by the Executive Board; and

d. Present the Association's position to the Texas Legislature.

Section 7: Membership Committee. The Membership Committee shall:

a. Assist the staff in designing and executing membership recruitment programs and campaigns;

b. Review periodically and, as necessary, recommend changes to the Executive Board regarding current membership rules, regulations, dues, and qualifications;

c. Certify Association conference delegates and alternates.

Section 8: Nominations Committee.

a. The Nominations Committee shall be composed of members with due consideration given to representation by member appraisal district size and geographic location. The President shall present members to the Executive Board for approval.

b. At least forty-five days prior to the Delegate Assembly meeting at the annual meeting of the Association, the Nominations Committee shall meet and shall nominate one person for each office to be filled and report the Committee's nominations to the President and designated Executive Director.

c. Preparation of the slate of nomination shall comply with the following regulations:

1. The designated Executive Director shall transmit through the Association's publication to the member appraisal districts the slate of nominees for offices to be filled as presented by the Nominations Committee together with pertinent biographical information for each nominee at least thirty days prior to the Delegate Assembly meeting at the annual meeting of the Association.

2. In the event a nominee becomes unable to serve, the Nominations Committee, at the call of its Chairperson, shall select an alternate candidate and transmit to the member appraisal districts its amended report as soon as feasible but in no case later than a time immediately prior to the opening of the Delegate Assembly meeting at the annual meeting.

3. Member appraisal districts shall have the privilege of nominating, in accordance with these bylaws, candidates for office and expiring terms or vacancies of the Executive Board.

4. An official ballot shall be prepared prior to the opening session of the Delegate Assembly listing the names of all the nominees for the office position for which they have been nominated both by the Nominations Committee and by member appraisal districts.

5. No individual shall be a candidate for more than one office.

Section 9: Special Committees.

a. The President, with the approval of the Executive Board, may appoint special committees as the President may deem necessary to properly perform or more effectively carry out the work and purposes of the Association.

b. Eligibility to serve on special committees. To be eligible to serve on a special committee, an individual must be an active member of a member appraisal district, associate member affiliate member, or retired member.

ARTICLE IX

ASSOCIATION STAFF

Section 1: Executive Director. There shall be an Executive Director who shall be appointed by and serves at the pleasure of the Executive Board. The President shall appoint a Search Committee to screen, interview, and tentatively offer the executive director position at a salary not to exceed the current budgeted amount, after conducting a telephone poll of the Executive Board for final approval of the top candidate and following with a mail ballot to the Executive Board. The Executive Board will receive notice of the applicants that receive an interview, except where confidentiality is requested. In such case, the Board will know that the Search Committee granted an interview.

Section 2: Duties.

a. The Executive Director shall coordinate and manage the operations of the Association within the authority delegated by the Executive Board. The Executive Director shall be an ex-officio member of the Delegate Assembly, the Executive Board, and all standing and special committees appointed by the President.

b. Other association staff and consulting personnel as may be hired or retained shall undertake such duties, responsibilities, and authority as may be delegated by the Executive Director or Executive Board and shall be responsible to the Executive Director. The Executive Director has authority to employ, supervise, and discharge all personnel in positions authorized by the Executive Board.

c. The Secretary/Treasurer of the Association, with the approval of the Executive Board, may delegate any part or all of the duties of that office, except the right to vote, to the Executive Director, provided that the Secretary/Treasurer shall continue to be responsible for the supervision and proper performance thereof.

ARTICLE X

FISCAL AND LEGAL PROCEDURES

Section 1: Fiscal and Dues Year. The fiscal and dues year of the Association shall be January 1 through December 31.

Section 2: Annual Budget. Each fiscal year, prior to the fourth quarter meeting of the Executive Board, the Budget and Finance Committee shall recommend a budget to the Executive Board.

Section 3: Noncompensation. No member of the Executive Board acting in his capacity as an officer or regional trustee shall receive compensation for services rendered. Certain expenses incurred by the Executive Board members in attending to the business of the Association may be paid by the Association, in accordance with rules and procedures adopted by the Executive Board.

Section 4: Contracts. Except as otherwise provided in these bylaws, the Executive Board may authorize any officer or officers, or agent or agents, to enter into contracts and to execute or draw any instruments on behalf of the Association.

Section 5: Loans. No loan shall be contracted on behalf of the Association, and no negotiable paper other than checks shall be issued in its name, unless and except as authorized by the Executive Board.

Section 6: Deposits.

a. All funds of the Association shall be deposited to the credit of the Association in such depositories as the Executive Board may select, or as may be selected by an officer or officers, or agent or agents, designated by the Executive Board.

b. All funds of the Association, except for investment accounts, shall be in depositories covered by the Federal Deposit Insurance Corporation or by the Federal Savings and Loan Insurance Corporation and shall be withdrawn according to procedures specified by the Executive Board.

Section 7: Income. All income of the Association shall be collected by such officer or officers, or agent or agents, as the Executive Board may designate for that purpose.

Section 8: Checks, Drafts, etc. All bills, drafts, acceptances, checks, endorsements, or other evidence of indebtedness shall be signed by such officer or officers, or agent or agents, of the Association as the Executive Board may by resolution designate.

Section 9: Investments. Funds of the Association may be invested and reinvested in such manner and for such purposes as may be lawful and authorized by resolution of the Executive Board.

Section 10: Disposition of Surplus Funds. Any surplus in excess of normal operating requirements, and in excess of a responsible reserve to be determined by the Executive Board, shall be used to further the purposes of the Association. Recommendations for specific allocations of such funds shall be made to the Executive Board by the Budget and Finance Committee.

Section 11: Annual Financial Audit and Report. The Secretary/Treasurer shall provide to the Executive Board annually a report of all receipts and disbursements of the Association funds. To facilitate this, the Executive Board shall select an independent certified public accountant to audit the financial records of the Association and submit an annual audit report. An annual Financial Report shall subsequently be published by the Executive Board.

Section 12: Incurring Indebtedness. No association member or member appraisal district, committee, committee member, officer, Executive Board member or employee of the Association shall incur any

indebtedness in the name of the Association or make any commitment involving the Association unless authorized to do so in writing by action of the Executive Board.

Section 13: Surety Bond. The Secretary/Treasurer, Executive Director and other officers or agents of the Association as may be determined by the Executive Board, shall give and file with the Association a surety bond for the faithful performance of their duties in sums as may be fixed by the Executive Board. The cost of said bonds shall be paid for by the Association.

Section 14: Legal Counsel. The Executive Board may retain outside legal counsel to act as general legal consultant and to advise in the legal affairs of the Association as deemed necessary.

ARTICLE XI

LIMITATIONS OF LIABILITY

Section 1: Limitations of Liability. Nothing herein shall constitute members of the Association as partners for any purpose. No member, officer, regional trustee, agent or employee of the Association shall be liable for the acts or failure to act on the part of any other member, officer, regional trustee, agent or employee of the Association. Nor shall any member, officer, regional trustee, agent, or employee be liable for acting or failing to act under these bylaws excepting the acts or omissions to act arising from willful misfeasance.

Section 2: Indemnification. The Association shall indemnify and hold harmless each officer, regional trustee, agent or employee from and against all claims and liability, whether the same are settled or proceed to judgment to which such persons shall have become subject by reason of having acted in the capacity or capacities heretofore enumerated, or by reason for any action alleged to have been heretofore or hereafter taken or omitted in such capacity, and shall reimburse (to the extent not otherwise reimbursed) each such person for all legal and other expenses, including the cost of settlement, reasonably incurred in connection with any such claim, liability, suit, action, or proceeding; provided, however, that no such person shall be indemnified against or be reimbursed for any claims, liabilities, cost or expenses incurred in connection with any claim or liability or threat or prospect thereof based upon or arising out of willful misconduct in the performance of duties. The rights accruing to any person under the provisions of this section shall not exclude any other right of which the person may be lawfully entitled, nor shall anything herein contained restrict the right of the Association to indemnify or reimburse such person in any case even though not specifically herein provided for.

Section 3: Incorporation. The Texas Association of Appraisal Districts shall have and continually maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Nonprofit Corporation Act. The registered offices may be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

Section 4: Dissolution of Corporation. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated as provided by regulations promulgated under the authority of Section 501(c)(6) of the Internal Revenue Code of 1986, or any amendment thereto. Any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the corporation is located, exclusively for such purposes or to such organization or organizations as said Court shall determine.

ARTICLE XII

AMENDMENTS

Section 1: Amendments.

a. These bylaws may be amended at any regular meeting of the members of the Executive Board by a vote of two-thirds of the total membership of the Executive Board.

b. Any amendment is subject to final ratification by two-thirds of the members present and voting at the regular meeting of the Delegate Assembly.

c. It is further provided that a copy of the proposed amendments be delivered to the Bylaws Committee prior to being offered on the floor of the meeting.

ARTICLE XIII

CHAPTERS

Section 1: There may be formed within the Association a number of Chapters having such boundaries and carrying such distinctive and official titles and numerical designations as may be approved by the Executive Board.

a. It shall be the policy of the Association to encourage the organization of local chapters whenever the stated objective of the Association will be advanced thereby. Chapters shall have the right to undertake a program of activity for the benefit of chapter members, but any such program shall always be subordinate to, and not in conflict with, the program and activities of the Association. Chapters, while subordinate to the Association, are separate entities for which the Association has no responsibility -- legal, fiscal, or otherwise.

b. Chapters may be organized in any city, county, rural, or metropolitan area of the state. When the organization of any such chapter is approved, a jurisdictional area shall be assigned it. Thereafter, no authority shall be granted to any other group of members who organize a chapter within said area, unless and until the first chapter is amended by action of the Executive Board of both the chapter concerned and the Association.

c. To organize a chapter, a petition requesting authority to organize a chapter shall be prepared and signed by not less than 10 members of the Association in good standing on the date of signing. Said petition should contain a statement outlining the jurisdiction for the chapter, the type of activity in which it intends to engage and a description of the way in which the objectives of the Association will be advanced by the granting of a chapter.

d. Petitions shall be addressed to the Executive Board and mailed to the President of the Association, who shall forthwith notify each member of the Executive Board of the receipt thereof. Within 30 days thereafter, the Executive Board shall either grant or deny authority to form a chapter, and the President shall immediately notify petitioners of the action taken.

e. If the petition is approved, the petitioner shall have the right to provide a set of bylaws to govern the operation of the chapter. Such bylaws shall be in conformity with the provisions contained herein and shall be submitted to the Executive Board for approval. No chapter shall be considered organized or its bylaws effective until said bylaws have been approved by the Executive Board.

f. Chapter bylaws shall provide for an official name of the chapter, which shall be in the following form, to-wit: "(Name of jurisdictional area) Chapter of the Texas Association of Appraisal Districts", a definition of its jurisdictional area; that the purpose of the Chapter is the advancement of the objectives of the Association within said area; that membership in the Chapter is restricted to members in good standing of the Association; the names of the governing body of the chapter; a method for the nomination and election of officers and members of the governing body; for calling regular and special meetings of the chapter and its governing body; and a method of amending the bylaws.

g. No chapter shall solicit monetary donations.

ARTICLE XIV

GENERAL PROVISIONS

Section 1: Voting.

- a. No proxy votes will be allowed.

Section 2. Minutes.

- a. Minutes will be maintained of all meetings of the Delegate Assembly, Executive Board and all standing and special committees.
- b. The presiding officer of the Delegate Assembly, Executive Board and all standing and special committees is responsible for ensuring that minutes are recorded and maintained.
- c. A master copy of all minutes will be maintained at the Association headquarters.

Section 3. Definitions.

- a. "Chief Appraiser" is defined in Section 6.05 of the Texas Property Tax Code as the chief administrator of the appraisal office.
- b. "Assistant or Deputy Chief Appraiser" is defined as the person or persons designated by the chief appraiser as the deputy chief appraiser.
- c. A "meeting" of a standing or special committee may be by, but not limited to, conference telephone call, video conference or internet conferencing. Such participation shall constitute a member's presence at such meeting.
- d. References in these provisions to "mail" shall mean first-class mail delivery by the U. S. Postal Service, and it may also include delivery by electronic mail (e-mail).

Adopted: January 13, 1982
Amended: March 2, 1983
February 18, 1984
February 7, 1986
February 13, 1987
February 12, 1988
February 13, 1990
February 12, 1991
February 19, 1992
February 10, 1993 (no changes)
February 15, 1994
February 28, 1995
February 20, 1996
February 25, 1997
February 17, 1998
February 8, 1999
February 21, 2000
February 19, 2001
February 18, 2002
February 24, 2003 (no changes)
February 26, 2004 (no changes)
February 21, 2005
February 22, 2006 (no changes)
February 19, 2007
February 18, 2008
February 16, 2009 (no changes)
February 21, 2010