



Nueces County Appraisal District  
201 N. Chaparral, Ste. 206  
Corpus Christi, Texas 78401-2503

**Ramiro "Ronnie" Canales**  
Nueces County Chief Appraiser

Direct: (361) 879-0766  
Cell: (361) 765-1190  
Fax: (361) 887-6138  
[rcanales@nuecescad.net](mailto:rcanales@nuecescad.net)

The Nueces County Appraisal District Board of Directors held a Regular Meeting on Wednesday, March 13, 2013 in the Board Room at 201 N. Chaparral, Corpus Christi, Texas.

## REGULAR MEETING

### I. Invocation

The invocation was led by Deacon Michael Mantz.

### II. Pledge of Allegiance

The Pledge of Allegiance was led by Board of Directors

### III. Roll Call of the Board of Directors

#### DIRECTORS:

David Berlanga, Chairman	<u>Present</u>	Ramiro R. Canales, Chief Appraiser	<u>Present</u>
Jerry Garcia, Vice-Chairman	<u>Present</u>	Robert Cenci, Asst. Chief Appraiser	<u>Present</u>
Luis A. Elizondo, Secretary	<u>Absent</u>	Tom Wheat, General Counsel	<u>Present</u>
Jose Guzman	<u>Present</u>		
Robert Adler	<u>Present</u>		
Richard Pittman	<u>Present</u>		
Paul Altheide	<u>Present</u>		
Kevin Kieschnick	<u>Present</u>		

1. **Call to Order and Determination of a Quorum.** Mr. David Berlanga, Chairman called the meeting of the Nueces County Appraisal District Board of Directors to order and requested that the record show that a quorum of the Board Members was present; that this meeting has been duly called; and that notice of this meeting had been posted in accordance with the Texas Open Meetings Act, TEX. GOV'T CODE § 551, (Vernon Supp. 2009) and that any conflict of interest affidavits had been received and placed on file as required by law.

### 2. VISITORS'/AUDIENCE COMMENTS AND QUESTIONS

None.

3. **DISCUSSION AND/OR ACTION**

- a. Approval of the minutes of the **February 13, 2013** Regular Meeting;

Motion was made by Mr. Garcia to approve the minutes; the motion was seconded by Mr. Guzman. Motion passed unanimously.

- b. Approval of the **February 2013** litigation report;

Mr. Tom Wheat, Legal Counsel, summarized the February 2013 litigation report submitted to the Board in their board packets. He stated that of the 22 cases listed, two have been settled, three are boundary cases and 17 are value cases. Motion was made by Mr. Altheide to approve the litigation report. The Morin case will be discussed further in executive session. Mr. Guzman seconded the motion. Motion passed unanimously.

- c. Approval of the **February 2013** disbursements;

Mr. Sissamis, Director of Financial and Administrative Services, provided a brief summary of the monthly disbursements. Motion was made by Mr. Pitman to approve the disbursements for February 2013. Mr. Altheide seconded the motion. Motion was passed unanimously.

- d. Personnel update

Mr. Sissamis reported that several positions are in progress. These positions include one personal property clerk and three appraisers, including ongoing collection of applications for appraisers. Previously reported positions which are still in progress are the Manager of Administration and Human Resources Assistant. The assistant position is the previous Executive Assistant and that incumbent has announced her retirement after 32 years of service to the District. This position has been held off on pending the hiring of its manager, who then can be given the courtesy of being involved in the selection of a candidate.

4. **UPDATE BY JAVIER HUERTA, CLK ARCHITECT, ON THE PROGRESS OF THE FIRST FLOOR FLOORING AND HVAC PROJECT.**

Mr. Huerta gave a status report over the current building projects, which include the roof replacement and replacement of the buildings HVAC systems. There have been delays in the roof work due to wind and other weather issues. The project is expected to finish on time. Regarding the HVAC replacement, this project will commence after bids have been submitted and contracts have been awarded. The HVAC equipment is scheduled to arrive by May 20<sup>th</sup> and this project is schedule to be completed by June 1<sup>st</sup>.



5. **UPDATE ON THE HOMESTEAD EXEMPTION PROJECT BY LINEBARGER GOGGAN BLAIR & SAMPSON, LLP.**

Mr. Rick Haas and Mr. David Lyons with Linebarger Goggan Blair & Sampson LLP provided an update on the pilot project for Homestead and Exemptions detections. Mr. Haas is on the Board of Directors for the Linebarger Analytics & Investigative Services. The Homestead Exemption Audit pilot program began in January 2013 and is being done for the District free of charge. The information gathered electronically with the approval of the District is intended to assist them in putting together a business model aimed at determining if the records of exemptions are correct or if dual exemptions exist. Linebarger Analytics will work with the District to help reduce the instances of error and fraud as it relates to homestead exemption granted to its taxpayers.

6. **PRESENTATION OF 2012 ANNUAL EMPLOYEE BENEFITS INSURANCE PROGRAM REVIEW BY ENTRUST, INC.**

Mr. Rick Medrano with Entrust Inc., a third party administrator that handles the District employees' health, dental and vision benefits, presented a series of slides to explain the plan's activities for the 2012 plan year. In some cases, he presented various comparisons to the prior years. Claims processing turn-around time for the majority of claims is under 14 days. The total claims were at about 81% of expected and at 65% of the attachment point for re-insurance. Over half (53%) the costs were for medical/therapeutic/mental health, 23% were for prescriptions and the remaining were for vision/dental/other. PPO in-network provider utilization is 98.6%. Over the most recent three-year period, the overall discount rate has risen from 58.7% to 67.7% in 2012. The top providers are Christus Spohn and Caremark. He also presented monthly financial statements.

Mr. Wheat recommended that the Board move go into executive session in order to accommodate the schedule of the attorney handling a legal matter to be addressed in closed session. She has a noon appointment. Mr. Garcia motioned that the board enter into executive session and Mr. Adler seconded.

*The Board went into executive session at 10:05 am.*

*The Board returned from executive session at 10:20 am and suspended the remainder of executive session until its regular scheduled place on the agenda.*

Mr. Berlanga called for motions on the Morin lawsuit. Mr. Garcia made the motion, "Mr. Chairman, I would like to make the motion that the District is making a business risk management-based decision which has resulted in the resolution of Ms. Morin's pending lawsuit." Mr. Pittman seconded the motion. Motion passed unanimously.



7. **DISCUSSION AND/OR ACTION RELATED TO THE APPROVAL OF THE 2012 FINANCIAL AUDIT.**

The District's financial auditor, Mr. Tommy Streatly of Gowland Streatly Morales and Company, presented the results of the District's annual audit for its fiscal year 2012. He clarified the role of the external auditors as opposed to management, which retains responsibility for the financial statements. As of December 31, 2012, the District's assets exceeded its liabilities by \$3,806,474 ("net assets") and the net assets increased \$662,709 during 2012 due to a combination of investments in building refurbishment projects and revenues exceeding expenditures. He explained that there are two types of financial statements presented, with different measurement and focus. The traditional fund financial statements are short-term in focus, approximately 90 days of fund sources and uses versus full accrual statements similar to those issued by private enterprises that focus on full economic presentation with a long-term focus (i.e. capital assets are included along with long-term liabilities). The auditors have given the District's financial statements an unqualified opinion. Regarding the customary "management letter," Mr. Streatly commented that there are two practices – travel and purchasing – wherein current management has been trying alternate approaches that are not reflected in written policies. He recommends that the policies be updated when management selects which practices it wishes to implement. Mr. Altheide made the motion to accept the Fiscal 2013 financial audit. Mr. Pittman seconded the motion. Motion passed unanimously.

8. **DISCUSSION AND/OR ACTION RELATED TO 2013 APPRAISAL NOTICES PURSUANT SECTION 25.19 PROPERTY TAX CODE.**

Mr. Cenci reported that 2013 homestead and residential property appraisal notices will be sent to property owners in April. Last year the Board of Directors approved to send notices to all property owners which totaled approximately 170,000 notices. He recommended that the District send notices for only the properties where appraised value has increased by more than \$1,000. Mr. Pittman stated for the record that the District has come under scrutiny in the past about not being more informative and that he prefers that notices be sent to all property accounts. Motion was made by Mr. Kieschnick to send the 2013 appraisal notices all taxpayers regardless of value increases. Mr. Adler seconded the motion. The motion passed unanimously.

9. **DISCUSSION AND/OR ACTION REGARDING APPRAISAL REVIEW BOARD (ARB) CONFLICTS OF INTEREST.**

Mr. Wheat, legal counsel, recommended that the Board discuss agenda items 9 and 10 when they resume executive session. The three items that need to be discussed are the relationship of the TLO and a relative, a certain process that took place with the ARB and to review the TLO contract. Motion was made by Mr. Altheide to go back into executive session to discuss these items. Mr. Adler seconded the motion. Motion was passed unanimously.

10. **DISCUSSION BY TAXPAYER LIAISON OFFICER (TLO) REGARDING ARB PROCEDURE.**

Moved to executive session.



*Ramiro "Ronnie" Canales, Chief Appraiser*

11. **MOVE INTO EXECUTIVE SESSION PURSUANT TO THE TEXAS OPEN MEETINGS ACT, TEXAS GOVERNMENT CODE 551.071 AND 551.074:**

*Board of Directors went into executive session at 10:49 A.M.*

12. **DISCUSSION AND/OR ACTION RELATIVE TO ITEMS DISCUSSED IN EXECUTIVE SESSION**

*Board of Directors returned to open session at 12:11 P.M.*

*No action taken.*

13. **TAXPAYER LIAISON OFFICER'S**

Mr. Combs gave a brief report with no complaints and his report is filed as a matter of record.

14. **CHIEF APPRAISER'S REPORT**

Chief Appraiser's report will be tabled for next month meeting.

15. **SUGGESTED ITEMS FOR NEXT REGULAR MEETING AGENDA**

ARB board member conflicts.

16. **ADJOURNMENT**

Motion was made by Mr. Pittman to adjourn meeting. The motion seconded by Mr. Adler. The motion was passed unanimously. The meeting was adjourned at 12:13 P.M.

SIGNED: \_\_\_\_\_

Luis Elizondo, Secretary

