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The Nueces County Appraisal District Board of Directors held a Regular Meeting on Wednesday, February 19, 2014, in the Board Room at 201 N. Chaparral, Corpus Christi, Texas.

I. Invocation

The invocation was led by Mr. Ken Combs.

II. Pledge of Allegiance

The Pledge of Allegiance was led by the Board of Directors.

III. Roll Call of the Board of Directors.

DIRECTORS:

Jerry Garcia, Chairman	<u>Present</u>	Robert Cenci, Chief Appraiser	<u>Present</u>
Luis A. Elizondo, Vice-Chairman	<u>Present</u>	Ronnie Canales, Asst. Chief Appraiser	<u>Present</u>
Jose J. Guzman, Secretary	<u>Present</u>	Tom Wheat, General Counsel	<u>Present</u>
Robert Adler	<u>Present</u>		
John Valls	<u>Present</u>		
Kim Johnson	<u>Present</u>		
Kevin Kieschnick	<u>Present</u>		
Eugene Bouligny	<u>Present</u>		
Greg Smith	<u>Present</u>		

- 1. CALL TO ORDER & DETERMINATION OF A QUORUM.** The meeting of the Nueces County Appraisal District will be called to order at 9:02 A.M. and let the record show that a quorum of the Board Members is present; that this meeting has been duly called; and that notice of this meeting has been posted in accordance with the Texas Open Meetings Act, Texas Government Code 551, (Vernon's Supp. 2009) and that any conflict of interest affidavits have been received and placed on file as required by law.

2. VISITORS'/AUDIENCE COMMENTS AND QUESTIONS

No comments were made by visitors' during the board meeting.

3. DISCUSSION AND/OR ACTION:

- a) Joe Guzman made a motion to approve the minutes of the January 8, 2014, Regular Meeting & February 6, 2014 Special Meeting. Seconded by Robert Adler. Motion passed unanimously.
- b) Approval of the January 2014 litigation report; Tom Wheat discussed about the hearing boundary with San Patricio. San Patricio is asking for a jury trial and Judge Galvan took it under advisement.
- c) Approval of the January 2014 disbursements; Ms. Sandra Garcia, Manager of Administration, summarized the disbursements. Mr. Jerry Garcia wanted to check to see if Malek had a maintenance agreement.
- d) Personnel update; Ms. Sandra Garcia, Manager of Administration reported that the district hired Alma Riojas with a state date of 02/20/14 and Cerissa Ceballos's start date of 03/03/14. There are two Real Estate Appraiser's available. A Commercial/Land Appraiser position just became available this week. Mr. Ronnie Canales asked the Board of Directors if they could accept an applicant to work as an Appraiser who has a Real Estate License/Broker's License. The answer was they could be hired as long as they do not conduct business in Nueces and San Patricio County.

4. DISCUSSION AND/OR ACTION RELATED TO THE APPROVAL OF THE APPRAISAL DISTRICT'S 2013 4TH QUARTER INVESTMENT REPORT

Ms. Sandra Garcia, Manager of Administration, summarized activities for the quarter. Overall, an average portfolio of \$3.36 million was available for investment and earned \$1,021 which represents a return on investment of .12% compared to the benchmark of .06% (average 3 month U.S. Treasury Bill).

Checking Accounts: The District earns both traditional interest paid in cash on checking account balances and given internal bank "credit" using an earnings-credit-rate (ECR) computed on account balances and used to offset bank fees. Although the ECR earnings are not paid in cash, this does result in foregoing Traditional interest paid to the District totaled \$32 and the ECR resulted in fee savings of \$821. The total yield for this portion of the portfolio was .20%.

TexPool: Earnings to the District totaled \$169 (or annualized yield of .04%) for this portion of the portfolio. During the quarter, TexPool shares were valued at \$1 per share. Investments in TexPool are not guaranteed or insured.

The District must currently maintain between \$950,000 and \$1,000,000 in its bank accounts to earn enough at the ERC credit to fully offset monthly bank fees. Since these amounts exceed the \$250,000 FDIC coverage limit, the bank must secure

(“collateralize”) all District funds over this amount by pledging certain of its own assets for the District and having an independent third party custodian, the Federal Reserve Bank, holds the assets. The custodian sends evidence of this to the District monthly.

Checking Accounts	Collateral	Percent
<u>Less: FDIC Coverage</u>	<u>Market Value</u>	<u>Collateralized</u>
\$1,941,561	\$2,931,048	151%

The District’s investment policy requires a minimum of 102% on such balances.

John Valls motion to accept the approval of the District’s 2013 Quarterly Investment Report. Seconded by Joe Guzman. Motion passed unanimously.

5. APPOINTMENT OF INVESTMENT COMMITTEE MEMBERS FOR BOARD OF DIRECTORS

Luis A. Elizondo motioned to appoint Kevin Kieschnick, John Valls, and Eugene Bouligny on the Investment Committee Members. Seconded by Kim Johnson. Motion passed unanimously.

6. DISCUSSION AND/OR ACTION RELATED TO THE BOARD OF DIRECTORS CONSENT TO CHIEF APPRAISER APPOINTMENT OF THE AGRICULTURAL ADVISORY BOARD MEMBERS

Kevin Kieschnick made a motion to accept Jason Otto, County Extension Agent; Donald Havelka, Current Board Member; James P. Kelly, Current Board Member; Wayne Miller, New Board Member; Chris Yaklin, New Board Member for the Agricultural Appraisal Advisory Board. Seconded by Robert Adler. Motion passed unanimously.

7. DISCUSSION AND/OR ACTION RELATED TO APPOINTMENT OF ADDITIONAL SUCCESSOR TRUSTEE TO THE NUECES COUNTY APPRAISAL DISTRICT EMPLOYEE BENEFIT PLAN TRUST

Motion was made by Kevin Kieschnick to appointment of additional successor trustee. Effective February 19, 2014, the Trustee(s) of the Trust are Ramiro “Ronnie” Canales and Robert Cenci. Seconded by John Valls. Motion passed unanimously.

8. DISCUSSION AND/OR ACTION RELATED TO THE FORMATION OF A LEGISLATIVE COMMITTEE

Motion was made by John Valls to form a legislative committee. Committee members are Kevin Kieschnick, Kim Johnson, John Valls, Greg Smith, Ramiro “Ronnie” Canales, and Robert Cenci. Seconded by Kevin Kieschnick. Motion passed unanimously.

9. DISCUSSION AND/OR ACTION RELATED TO 2014 APPRAISAL NOTICES PURSUANT SECTION 25.19 PROPERTY TAX CODE

Motion by John Valls to send all property owners mailings for the 2014 appraisal notices. Seconded by Kevin Kieschnick. Motion passed unanimously.

10. DISCUSSION AND/OR ACTION RELATED TO EXTENDING CONTRACT FOR PRINTING AND MAILING 2014 APPRAISAL NOTICES

Motion was made by Joe Guzman to continue the contract for printing and mailing of the 2014 appraisal notices with Variverge was approved by the Board. Seconded by Luis A. Elizondo. Motion passed unanimously.

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

There was no executive session during this meeting.

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

No discussion.

13. TAXPAYER LIAISON OFFICER'S REPORT

Ken Combs reported to Board of Directors that there are no pending issues. The website was updated with pictures of the Board of Directors and the ARB members. He also reported that HB 585 updates shows that the Administrative Judge will select the ARB members. The Board of Director's will continue to select the ARB officers. The Texas Comptroller's office has decided to use Survey Monkey as the source for taxpayers to complete the survey which must be made available at NCAD office on computers available to taxpayer public. The TLO must send all disputes, comments, or suggestions to the Texas Comptroller's Office. He requested the approval to purchase two survey boxes to be placed in the lobby and board room for collection of this information. Cost is approximately \$65 each and will need to have cards printed which should be about \$150. Motion was made by Luis A. Elizondo to purchase the two survey boxes and have cards printed. Seconded by Joe Guzman. Motion passed unanimously. Mr. Combs introduced ARB Chairman, Ceil McClellan and Vice-Chairman, Candy Skelton to the Board of Directors.

14. CHIEF APPRAISER'S REPORT

- Chief Appraiser Robert Cenci reported that the scheduled Board of Director's workshop will be March 12, 2014.
- Property Value Study – Property Value is increasing and they expect to have more protests and lawsuits.
- TAAD Conference – Kim Johnson, Joe Guzman, Ken Combs, and Ronnie Canales reflected on their experience at the TAAD Conference.

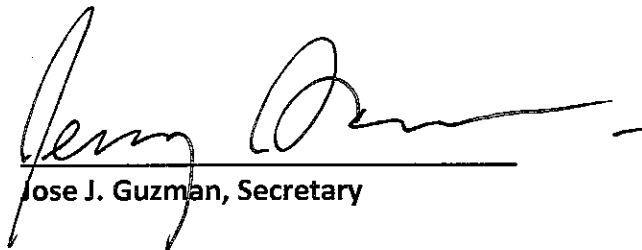
15. SUGGESTED ITEMS FOR NEXT REGULAR MEETING AGENDA

Eugene Bouligny requested discussion during the executive closed meeting to talk about General Council Tom Wheat. Ceil McClellan would like to talk about personnel issues during the closed meeting.

16. ADJOURNMENT

Motion was made by Luis A. Elizondo to adjourn the meeting. The motion was seconded by Robert Adler. The motion passed unanimously. The meeting adjourned at 10:32 A.M.

SIGNED:



Jose J. Guzman, Secretary