

201 N. Chaparral, Suite 206
Corpus Christi, Texas 78401
Telephone No. (361) 881-9978
Fax No. (361) 887-6138

The Nueces County Appraisal District Board of Directors held a Regular Meeting on Wednesday, August 13, 2014 in the Board Room at 201 N. Chaparral, Corpus Christi, Texas.

REGULAR MEETING

I. Invocation

The invocation was led by Mr. Ken Combs.

II. Pledge of Allegiance

The Pledge of Allegiance was led by 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>	Ramiro 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 and Determination of a Quorum.** The meeting of the Nueces County Appraisal District Board of Directors will be called to order at 9:02 A.M. and let 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:

No visitors or comments from the audience.

3. **DISCUSSION AND/OR ACTION:**

- a) Motion was made by Mr. Adler to approve the July 9, 2014 Public Hearing minutes. Mr. Guzman seconded the motion. Motion passed unanimously.
- b) Motion was made by Mrs. Johnson to approve the July 9, 2014 Regular Board Meeting minutes. Mr. Bouligny seconded the motion. Motion passed unanimously.
- c) Tom Wheat, General Counsel, gave litigation report he stated that there were 62 cases on list. The current numbers of cases that are settled are 20 out of the 62. We have been ordered to mediation in the boundary dispute case with San Patricio. The court of appeals has put the appeal on hold until we go through the mediation process. Mediation is scheduled for October. Will be bringing in an appellate law expert, Audrey Mullert, to assist in the case. The fees for this expert have been capped at \$10,000.

Mr. Smith wanted to know the results of American Chrome & Chemicals. Don Causey, Commercial Land Manager, was asked to address this question. As part of the resurvey a lot of values were added and the company sued because of contamination purposes and that issue has not yet been resolved. We have been dealing with a lot of EPA information that has been very general in nature and not specific to this property, as per Mr. Wheat. Motion was made by Mr. Guzman to approve the litigation report. Mr. Smith seconded the motion. Motion passed unanimously.

- d) Sandra Garcia, Manager of Administration, went over disbursements. Motion was made by Mr. Valls to approve the July 2014 disbursements. Mr. Smith seconded the motion. Motion passed unanimously.

4. **DISCUSSION AND/OR ACTION RELATED TO THE 2ND QUARTER INVESTMENT REPORT.**

Sandra Garcia, manager of Administration, stated that 48% of the district's money was at Frost Bank and 52% at TexPool. The average portfolio available for investment was \$2.674 million dollars. The District earned \$920 on the investment for the quarter. The District's average balance at Frost Bank was \$1.002 million and Frost pledge collateral in the amount of \$2.85 million. The District was collateralized at 284% and the Investment Policy only calls for 102%. At TexPool the District earned \$88 for the quarter. Motion was made by Mr. Valls to approve the 2nd Quarter Investment Report. Mr. Guzman seconded the motion. Motion passed unanimously.

5. **DISCUSSION AND/OR ACTION RELATED TO THE DESIGNATION OF 2013 EXCESS FUNDS.**

Sandra Garcia, Manager of Administration, stated that at the end of 2013 as per the audit report the District had \$1,306,614 in fund balance. There is \$11,125 in un-spendable, \$20,000 for vehicles purchased in 2013 but budgeted in 2012 and paid for in 2014, \$20,000 for vehicles purchased in 2013 but not paid for until 2014, \$175,000 budgeted for in 2014 for a generator, \$63,000 budgeted for in 2014 for the purchase of 4 vehicles, \$74,239 budgeted for 2015 for the purchase of Capital Outlay. There is also \$117,452 start-up money, \$100,000 Building Maintenance, and \$582,548 for Cash-flow emergencies. After subtracting all of these there is a fund balance of \$143,250 that the board may credit back to the taxing entities or designate for other use.

Motion was made by Mr. Valls and second by Mr. Guzman to table the transfer of fund balance to cash-flow pending an agreement with the taxing entities that will be drafted by Mr. Wheat for the Chief Appraiser

Mr. Garcia arrived at 9:43A.M.

6. **DISCUSSION AND/OR ACTION APPROVAL OF THE 2014 BUDGET AMENDMENT.**

Sandra Garcia stated that the \$175,000 that was originally budgeted for the generator be divided \$70,000 to salaries and \$105,000 to legal fees. The increase in salary is to implement the base salary adjustment as of September 1st and the increase in legal fees is due to the boundary case and the increase in lawsuits filed against the District.

Motion made by Mr. Guzman to approve budget as presented second by Mrs. Johnson. Motion passed unanimously.

7. **DISCUSSION AND/OR ACTION APPROVAL OF THE 2015 BUDGET.**

Sandra Garcia stated that the budget was the same as presented at the public hearing with the changes as requested by the Board in relation to the ARB. The Proposed 2015 Budget is still negative 0.05% as compared to 2014.

Motion was made by Mr. Guzman second by Mrs. Johnson. Motion passed unanimously.

8. **DISCUSSION AND/OR ACTION RELATED TO NCAD PUBLIC WEBSITE.**

Greg Smith, Board Member, stated that there could be room to improve the website to help taxpayers and property owners with regards to ARB process. Jerry Garcia, Chairman, asked Candy Skelton, ARN Chair Person, and Ken Combs, TLO, to meet with Neil Lindeen, IT Manager, to discuss ways of improving the website for the ARB process.

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

Board members go into executive close session at 9:55 A.M.

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

Board returns into open session at 10:29 A.M.

The Board established a Capital Improvement Committee that is going to be comprised of John Valls, Kim Johnson, Luis A. Elizondo, and Greg Smith. They will be meeting with Robert Cenci and Ronnie Canales on any capital improvement projects that are needed at the District.

Motion to form the committee was made by Mr. Guzman seconded by Mr. Valls. Motion passed unanimously.

11. **TAXPAYER LIAISON OFFICER'S REPORT.**

Ken Combs, TLO, informed the board that there are no disputes, comments, or suggestions pending at this time. Article in the Caller Times will be every Sunday. Greg Smith, Board Member, asked Ken to contact other newspapers to see if they are willing to run the article. There are five positions that will be open for reappointment next year. Only one member as of today has expressed interest in being reappointed. Five applicants have applied for the position and one additional position to be filled in for a one year term. Judge Galvan decided to extend the appointment of Hue Smith from 2014 to 2015.

Candy Skelton, ARB Chair Person, was asked how things were going with the ARB. She stated that things were going smoothly and that staff has been extremely helpful.

12. **CHIEF APPRAISER'S REPORT.**

Robert Cenci, Chief Appraiser, informed the board of the Biennial Reappraisal Plan. Every even number year the District has to revise and submit the Reappraisal Plan to all the Taxing Entities and State Comptroller. The plan lays out the details as to what we do to get the job done. On September 3rd there will be a Public Hearing and all entities will be notified at least ten days prior to the hearing date. On September 10th at the next board meeting the board will be able to approve the plan. The board has until September 15th to approve the plan.

Mr. Cenci reported that certification was done without any major problems. We had a successful year as far certification is concern.

Mr. Cenci reminded the board that the TAAO conference was the following week in San Antonio.

13. **SUGGESTION ITEMS FOR NEXT REGULAR MEETING AGENDA.**


Mr. Valls wanted an update from the legislative committee.

Update on the Capital Improvement Committee.

14. **ADJOURNMENT.**

Motion was made by Mr. Valls to adjourn. Mr. Smith seconded the motion. Motion was passed unanimously. Meeting adjourned at 10:55 A.M.

SIGNED:


Jose J. Guzman, Secretary