



Nueces County Appraisal District
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The Nueces County Appraisal District Board of Directors held a Regular Meeting on Tuesday, November 10, 2015 in the Board Room at 201 N. Chaparral, Corpus Christi, Texas.

REGULAR MEETING

1. Invocation

The invocation was led by Mr. Ken Combs

2. Pledge of Allegiance

The Pledge of Allegiance was led by Board of Directors

3. Roll Call of the Board of Directors

DIRECTORS:

Jerry Garcia, Chairman	<u>Present</u>	Ramiro Canales, Chief Appraiser	<u>Present</u>
Luis A. Elizondo, Vice-Chairman	<u>Present</u>	Robert Cenci, 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>		
Janette Hallmark Arche	<u>Absent</u>		
Eugene Bouligny	<u>Absent</u>		
Greg Smith	<u>Absent</u>		
Kevin Kieschnick, Ex-Officio	<u>Present</u>		

4. 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 9:04 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.

5. VISITOR'S/AUDIENCE COMMENTS AND QUESTIONS:

No visitors or comments from the audience.

❖ Kevin Kieschnick's votes are advisory only

6. DISCUSSION AND/OR ACTION, CONSENT AGENDA:

- a) Approval of the minutes of the September 9, 2015 Regular Meeting.

Mr. Garcia entertained motion for approval of the September 9, 2015 minutes. Motion made by Mr. Elizondo for approval of the 2015 regular meeting minutes. Mr. Guzman seconded the motion. Motion passed unanimously.

- b) Approval of the November 2015 Litigation Report.

Mr. Garcia entertained motion for approval of the 2015 Litigation report as written. Mr. Elizondo made motion for approval of 2015 Litigation report. Mr. Adler seconded the motion. Motion passed unanimously.

- c) Approval of the September 2015 and October 2015 Disbursements.

Mr. Garcia entertained motion to approve September 2015 and October 2015 disbursements. Motion was made by Mr. Elizondo for approval of September 2015 and October 2015 disbursements. Mr. Guzman seconded the motion. Motion was passed unanimously.

7. DISCUSSION AND/OR ACTION RELATED TO THE APPROVAL OF THE APPRAISAL DISTRICT'S 2015 3RD QUARTER INVESTMENT REPORT.

Ms. Sandra Garcia, Manager of Administration, summarized activities for the quarter. Overall: For the quarter, an average portfolio of \$2.27 million was available for investment and earned \$900, which represents a return on investment of .16% compared to the benchmark of .04% (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 bank fees, which represents a real dollar savings to the District and, thus, earnings on those funds. Traditional interest paid to the District totaled \$24 and the ECR resulted in fee savings of \$665. The total yield for this portion of the portfolio was .20%. The District must currently maintain between \$950,000 and \$1,100,000 in its bank accounts to earn enough at the ECR 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, hold the assets. The custodian sends evidence of this to the District monthly. The following summarizes collateralization activity as of the end of the quarter:



<u>Checking Accounts</u> <u>Less: FDIC Coverage</u>	<u>Collateral</u> <u>Market Value</u>	<u>Percent</u> <u>Collateralized</u>
\$ 808,241	\$ 3,303,277	375%

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

TexPool: Earnings to the District totaled \$221 (or annualized yield of .08%) 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. Mr. Garcia entertained motion for approval of the 2015 3rd quarter investment report. Motion was made by Mr. Guzman for approval of the 2015 3rd quarter investment report. Mr. Kieschnick seconded the motion. Motion passed unanimously.

8. MOVE INTO EXECUTIVE SESSION PURSUANT TO THE TEXAS OPEN MEETINGS ACT, TEXAS GOVERNMENT CODE 551.071.

Mr. Canales, Chief Appraiser would like to go into item #10 and come back to executive session after discussing the rest of the agenda.

Mr. Valls arrived at 9:10

Mr. Canales informed the board that the Valero issue does not have to be discussed in Executive close session. Mr. Wheat discussed the Valero vs Nueces County Appraisal District case. Mr. Wheat reported that thanks to the work from Mr. Canales, Mr. Cenci and staff a favorable result was reached for the tax entities. The judgments have been signed by the parties and returned to the respective courts.

Board members went into close session at 9:47 A.M., to discuss Section 551.074 Personnel Matters

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

Board members returned to open session at 10:04 A.M. No action taken.

10. TAXPAYER LIAISON OFFICER'S REPORT.

Mr. Comb, TLO gave report no complaints and one comment which will be sent to comptroller's office. Mr. Combs reported that applications are still being taken to submit to the Judge and gave a new deadline of November 13, 2015. As soon as the Judge makes her decision hopefully on the next board meeting we will have the new ARB members.

Mr. Garcia, Chairman and Mr. Combs agreed that the board will not appoint the chairman and vice chairman until the Judge appoints the ARB members. The Judge has asked to run criminal



background check on everyone that has applied for the ARB which will run approximately \$125 per applicant. The Judge wants the information on her desk by the 20th of November.

Mr. Elizondo asked how many positions are available and Mr. Combs said eight that need to be filled. He also asked if this was the first year to check backgrounds and Mr. Combs said that Mr. Wheat has been handling the background check in prior years. Mr. Wheat said that they normally check both criminal and civil cases, pending and past, and assumed name certificates. Mr. Canales suggested that the vetting and investigation background check goes back to Mr. Wheat because the district's cost comes out of his monthly retainer. Mr. Combs said that Mr. Wheat would need to talk to Ms. Karen Evertson to inform her of board action today.

There was an article about property tax on changes were voted on and approved.

11. CHIEF APPRAISER'S REPORT.

Mr. Canales reported the printing and mailing services for the 2016 bidding has been set into place and hopefully all bids will come back and will present on next board meeting. Chief Appraiser annual evaluation will be coming up next month. Board of Realtors will not allow the district to get there information. Mr. Warren Andrich, President/CEO has had several meeting with the board of realtors and the brokers made the decision. Mr. Garcia, Chairman wants record show that the Appraisal District with the efforts of Mr. Canales has tried to join the Corpus Christi Board of Realtors. The update of vehicle accident was reported to the board no injuries and the other vehicle took off, vehicle is fixed. Holiday schedule for the district will be closed due to Veterans Day and also on Thanksgiving 26 and 27th. Health Fair went very well. Election of Board of Directors Ms. Arche has been contested by Ms. Lisa Hunt her name was submitted by Calallen ISD and the ballot needs to be sent to the Appraisal District by December 18th.

12. SUGGESTED ITEMS FOR NEXT REGULAR MEETING AGENDA.

13. ADJOURNMENT.

Mr. Valls motion to adjourn and Mr. Guzman seconded the motion. Motion passed unanimously.

SIGNED:


Jose J. Guzman, Secretary



Ramiro "Ronnie" Canales, Chief Appraiser