REGULAR MEETING OF THE BOARD OF DIRECTORS
NUECES COUNTY APPRAISAL DISTRICT

The Board of Directors of the Nueces County Appraisal District held a Regular Meeting on
Wednesday, May 8, 2019 in the board room, Nueces County Appraisal District building, 201
North Chaparral Street, Corpus Christi, Texas.

INVOCATION

The invocation was led by Irene Lugo

PLEDGE OF ALLEGIANCE

The pledge of Allegiance was led by Board of Directors

ROLL CALL OF THE BOARD OF DIRECTORS

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<th>DIRECTORS:</th>
<th>NON-DIRECTORS:</th>
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<tr>
<td>John Valls, Chair</td>
<td>Ramiro Canales, Chief Appraiser</td>
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<td>Luis Elizondo, Vice Chairman</td>
<td>Present</td>
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<tr>
<td>Leo Gonzalez, Secretary</td>
<td>Don Causey, Asst. Chief Appraiser</td>
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<td>Robert Adler</td>
<td>Tom Wheat, General Counsel</td>
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<td>Armando Chapa</td>
<td>Robert Maupin, TLO</td>
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<td>Jerry Garcia</td>
<td>Present</td>
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<tr>
<td>Gabriele Hilpold</td>
<td>Present</td>
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<tr>
<td>Rex A. Kinnison</td>
<td>Present</td>
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<tr>
<td>Kevin Kieschnick, Ex Officio</td>
<td>Present</td>
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CALL TO ORDER & DETERMINATION OF A QUORUM

The meeting of the Board of Directors of the Nueces County Appraisal District was called to order
at 8:33 am. A quorum of the Board Members was present; this meeting has been duly called; and
notice of this meeting has been posted in accordance with the Texas Open Meetings Act, Texas
Government Code 551 and that any conflict of interest affidavits have been received and placed
on file as required by law.
PUBLIC COMMENT

Special guest Barbara Canales; Nueces County Judge came to address the board on a subject matter. The Hiring of former Associate Justice Craig Enoch he is in private practice in Austin Texas with The Law Office of Enoch and Kever. Justice Enoch was a Chief Justice of the Fifth District Court of Appeals in Dallas Texas. He also served on The Supreme Court of Texas for ten years from 1993-2003. Judge Canales has worked with Justice Enoch on several litigation issues. Judge Canales finds Justice Enoch to be a reliable source on variety of issues. Justice Enoch and his firm have expertise in litigated various boundaries disputes and submerged land. Judge Canales has recommended that Commissioner Court to pass a resolution to hire Justice Enoch in helping the County with the pending litigation in Refugio with that resolution being passed. Judge Canales encouraged the Board to hire Justice Enoch for cases that both the County and Appraisal District have a vested interest in.

MOVE INTO EXECUTIVE SESSION PURSUANT TO THE TEXAS OPEN MEETING ACT, TEXAS GOVERNMENT CODE § 551.071 AND § 551.074

Board went into executive session pertaining to Government Code § 551.071 at 8:39 a.m.

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

Board returned to open session at 9:01 am. Items that were discussed, action taken. Chair Valls entertained a motion to engage Justice Enoch on the boundary case matter with Nueces County Appraisal District. Mr. Garcia motion to join the County in hiring Justice Enoch contingent on the County not to exceed twelve months and fee to be no more than $5,000 a month. Mr. Elizondo seconded the motion. Motion passed.

Item is approval of the Litigation Invoices. Mr. Garcia motioned to approve the litigation invoices for the amount of $65,945. Mr. Gonzalez seconded the motion. Motion passed.

Board went into executive session pertaining to Government Code § 551.074 at 9:02 a.m. Board returned to open session at 9:25 a.m.

DISCUSSION AND/OR ACTION, CONSENT AGENDA

a) Approval of the minutes February 13, 2019 Regular Meeting
b) Approval of May 2019 Litigation Report
c) Approval of the February, March, April 2019 Disbursements
d) Section 25.25 (b) Correction of Appraisal Roll Notice
e) Fund Financial Statement
Chair Valls entertained motion to approve consent agenda as presented. Mr. Garcia motioned to approve the consent agenda as presented. Mr. Kieschnick second. Motion passed.

Chairman Valls and Vice Chairman Elizondo left the board meeting at 9:27 a.m. Secretary Gonzalez presided over the meeting.

**LEGISLATIVE UPDATE**

Mr. Kieschnick reported that HB2, HB3 & SB2 are same bills with one version from the other. Bills will go to conference committee to work out the differences the rate cap is three and half percent is what was agreed on. HB380 is a bill that eliminate dates that a person can protest there evaluation. The bill can have a huge negative impact on refunds for taxing units in the future.

**DISCUSSION AND/OR ACTION RELATED TO THE APPROVAL OF THE 2018 FINANCIAL AUDIT**

Mr. Tommy Strealy with Gowland, Strealy, Morales & Company completed the audit on April 25, 2019. The firm has issued an unqualified opinion the District’s 2018 financial statements. Mr. Strealy also stated that management is responsible for preparation and fair presentation of the financial statements in accordance with the accounting principles. Financially, the District had a good year. Ms. Hilpold motion to accept the audit and Mr. Garcia seconded. Motion passed.

**DISCUSSION AND/OR ACTION RELATED TO THE GASB 54/DESIGNATION OF FUNDS**

Mr. Sissamis, Administration Manager, reported that audited 2018 ending fund balance totaled $1,724,022. Excluding non-spendable funds of $36,152, the balance available for designations is $1,687,870. In December, estimated amounts were designated for building maintenance, capital acquisitions, capital improvements, litigation contingency fund, operating reserve, cash flow emergencies. Certain refinements outlined in board member packets using the final audited number were made. Also, $50,000 was placed into the “assigned” category for an audit and/or consulting services related to the District’s health and welfare insurance plans. The District has a zero balance of unassigned funds. Mr. Garcia motion to approve the GASB 54 designation funds and Mr. Kinnison seconded. Motion passed.

**DISCUSSION OF THE 2020 BUDGET CALENDAR**

Mr. Sissamis indicated that the calendar is informative and outlines the timeline and steps for approval of the 2020 budget in August. This schedule allows for an additional month should the budget not be adopted at the August meeting. The budget must be adopted by September 15th.
DISCUSSION AND/OR ACTION RELATED TO THE APPROVAL OF 1ST QUARTER 2019 INVESTMENT REPORT

Mr. Sissamis reported that the portfolio average for the quarter is a $3.3 million and the weighted average yield achieved is 2.40% versus a benchmark 2.44%. All funds are collateralized.

TAXPAYER LIAISON OFFICER REPORT

Mr. Maupin reported that there were no comments, suggestions or complaints. Mr. Stein ARB member resigned due to health issues with his wife. Mr. Wheat’s fast action the ARB member was replaced in days. Mr. Kenning is the new ARB member and ARB is fully staff. Mr. Maupin has been monitoring the legislative bills that are important to the ARB. There are two SB1986 and 1987 that make significant changes one of the bills elects the ARB members. Mr. Maupin had a residential appraisal presentation and it informed them how to argue appraised value.

CHIEF APPRAISER’S REPORT

Mr. Canales reported that approximately 160,000 appraisal notices were mailed out with some Personal Property notices expected to be staggered out in the usual manner. The preliminary notices were delivered before April 30th. There are various value increases in the rural areas due to pipe lines. Staff did very well with the mobile workshops held at three different places starting in Robstown, then Calallen, and then Port Aransas. The workshops were staffed with appraisers and computers to discuss values with property owners. TY Pickett had a meeting with entities to let them know status of the oil and gas, utilities, cables, and minerals regarding how the appraisal process is conducted. Mr. Canales gave Mr. Wheat and his staff accommodation for a job well done. Mr. Canales also wants to invite the board members to attend the Ad Valorem Legal Seminar that is going to be held in August 20th-22nd and the TAAO Conference that is going to be held in August 25th-28th in San Antonio. Mr. Canales also invited the board members to attend the Rotary luncheon that is going to be held on Jun 20th. Mr. Garcia and Mr. Adler indicated their attendance.

SUGGESTED ITEMS FOR NEXT REGULAR MEETING AGENDA

Evaluation for Chief Appraiser

ADJOURNMENT

The meeting was adjourned at 10:37 a.m.