

Freestone Central Appraisal District
Directors Meeting

Minutes of November 14, 2018

Regular Meeting #471

The Freestone Central Appraisal District Board of Directors met at the appraisal office located at 218 North Mount, Fairfield, Texas. Board members present were Brownie Utley, Teresa Duke, Lovie Whyte, Sid Fryer, Craig Dunlap, and Lisa Foree. Representing the appraisal district was Bud Black, Chief Appraiser; Don Awalt, Deputy Chief Appraiser; and Carol Clark, Administrative Assistant.

Teresa Duke, board chairman, called the meeting to order at 7:02 p.m.

Ms. Duke confirmed that the agenda for this meeting had been posted in accordance with the Texas Open Meeting Act, pointing out that the agenda has been notarized.

Ms. Duke then declared a quorum of members present.

Consideration and action were taken on the minutes of September and October 2018. There was a motion to approve the minutes by Mr. Fryer, seconded by Mr. Utley. Motion carried.

The board then reviewed the district's monthly financial reports for the month of September and October 2018. Ms. Whyte made a motion to approve the monthly financial reports as presented, seconded by Mr. Dunlap. Motion carried.

Mr. Black then presented the Investment Officer's Quarterly Report for the quarter ending September 30, 2018. The report included a statement that all the funds held by the district were deposited with Community National Bank & Trust, the district's depository; and, that all of those funds were adequately insured by FDIC and other securities pledged by the bank during the reporting quarter. Also included were statements regarding fund activity during the quarter which began with a fund balance of \$695,450.26 and ended with a balance of \$582,751.01. He also certified that the district's internal controls were being followed according to the board's policies and that, to the best of his knowledge, all financial matters were being conducted in accordance with the district's policies and in compliance with the Public Funds Investment Act. There was then a motion by Mr. Fryer, seconded by Mr. Utley that the report be approved as presented. Motion carried.

The board then considered the appointing of members to the Agricultural Advisory Board for 2019-2020 terms. The current board members are Mr. Keith Hardwick, Mr. Frank Bonner, Mr. Marles Pace; the terms for Mr. Tim Cooper and Mr. Robert Chesnut will end on December 31, 2018. Mr. Black reminded the board that they are required by the State board to meet annually to advise the Chief Appraiser regarding data for special agricultural values and intensity standards for agricultural property. Mr. Black recommends that the board re-appoint Mr. Tim Cooper and Mr. Robert Chesnut for the 2019-2020 term. Mr. Dunlap made a motion seconded by Ms. Whyte to accept this recommendation. The motion carried.

Consideration and action were taken on the District's Annual Report. Mr. Black presented the report to the board explaining that the report is prepared after certifying the roll in July and is required by the state. The annual report is less technical than the detailed summary appraisal report that was presented to the board in June; the report was then published on the district's website as public record. Mr. Black briefly reviewed some of the contents which included a list of the taxing jurisdictions, the legislative changes, and the appraisal operation summary. The

certified values reflect an overall taxable value increase of \$10,072,043 compared to the values certified to the taxing jurisdictions in 2017. The new tax rates were included in the report once they were adopted, published on the district's website and presented to the board as required. Ms. Foree made a motion to approve the 2018 Annual Report, Mr. Utley seconded the motion and motion was carried unanimously.

Mr. Black then presented the Chief Appraiser's Report on ARB Approved Changes. He reported that a copy of the report must be submitted to the Board of Directors and the Appraisal Review Board within 10 days after the end of the quarter. Mr. Black stated that although the board of directors has no jurisdiction over these values, state law requires that this report be presented to the board to verify that the Chief Appraiser was making adjustments to the appraisal record. All changes have been sent to the County Tax Office. He further stated that he was required to include in the report the PTC Section for each change that is made. There were no changes in the list where the property owner and the Chief Appraiser were not in agreement. The ARB will consider the report in their November meeting. Mr. Dunlap made a motion to approve the Chief Appraiser's Report on ARB Approved Changes as presented. A second was made by Mr. Fryer. The motion carried.

The board considered the Contract for Legal Services with Low Swinney Evans & James PLLC. Mr. Black explained to the board that the legal firm consists of attorneys that have performed legal services for the district. McCreary, Velselka, Bragg & Allen PC have required a fee of \$125.00 an hour for phone calls with the district; the fees stated in this contract are \$75.00 for a monthly retainer which will cover up to one hour per month without charge. A fee for general legal advice and litigation is \$175.00 per hour, \$40.00 for paralegal time, law clerk time for a fee of up to \$60.00 per hour and \$20.00 per hour for administrative time. Mr. Black recommends that the board approve the contract for legal services with Low Swinney Evans & James PLLC. A motion is made by Mr. Fryer, seconded by Ms. Whyte to approve Mr. Black's recommendation. Motion carried.

Mr. Black presented to the board his recommendations for adjustments to the 2018 Operating Budget categories. He reviewed the categories that needed adjustments and the reasons for the changes. Subscriptions in Division II Supplies was increased from \$3,130 to \$5,230 due to Co-Star's subscription being higher for Multiple Listing Services (MLS) on commercial properties. \$450 was added to the Financial Auditor in Division IV General Services due to an increase in fees; his fee was amended from \$5,000 to \$5,450. Mr. Black pointed out the Division Recap showing a difference of zero, explaining that the proposed line item adjustments move money from one category to another to prevent a category from being "in the red" at the end of the year. The total budget amount will not increase, and the entities will not be billed for more funds. After reviewing all recommended adjustments, a motion was made by Mr. Utley, seconded by Mr. Fryer to approve the Line Item Adjustments to the 2018 Operating Budget. Motion carried.

The board then completed the Chief Appraiser's Annual Performance Review. The board rated Mr. Black's performance as good, with no notations or suggestions for changes.

Mr. Black then requested that the board set his annual salary for 2019. He reminded the board that the financial auditors recommend that although Mr. Black's proposed salary is stated in the adopted budget, the board of directors should make a formal statement setting Mr. Black's salary for 2019. There was a motion by Mr. Dunlap, seconded by Mr. Utley that Mr. Black's salary for 2019 be set at \$80,200, with a \$13,000 auto allowance and \$600 communications allowance. Motion carried.

Mr. Black then presented the Chief Appraiser's Report,

Noted in the report:

1. Staff appraisers are all inspecting properties as scheduled in the reappraisal plan. So far everything is progressing well.
2. Public activity in the office has picked up some with the mailing of tax statements.
3. Mr. Black was appointed as the Executive Director of the Texas Rural Chief Appraisers Association. He took office on November 1, 2018. This position is considered a part-time position; Mr. Black will perform the duties associated with that position from his home office. Mr. Black stated that he has checked with an attorney and has been assured that holding this new position does not present any conflict of interests with the Texas Department of Licensing & Regulation nor is it an ethics violation with any of the other State agencies or associations.

There being no public comment and there being no further business, Ms. Duke declared the meeting adjourned at 7.59 p.m.



Chairman



Secretary