Freestone Central Appraisal District
Directors Meeting

Minutes of August 12, 2026 Regular Meeting # 564

The Freestone Central Appraisal District Board of Directors met at the appraisal office located at 218 North Mount, Fairfield, Texas. Board members present were Craig Dunlap, Jerry Don Sanders, Sid Fryer, and Lovie Whyte. Representing the appraisal district was Don Awalt, Chief Appraiser; Jason Moore, Deputy Chief Appraiser; Carol Clark, Administrative Assistant.

Mr. Dunlap called the meeting to order at 5:31 p.m.

Mr. Dunlap established proof of the posting of public notice of the meeting in accordance with the Texas Open Meeting Act from the affidavit attached to the foot of the posted agenda.

Mr. Dunlap then declared a quorum of members present.

Consideration and action were taken on the minutes from the meeting held on July 8, 2026. Mr. Sanders requested clarification on the bottom paragraph of the first page of the minutes. After lengthy discussion, the statement, "the district paid $13,000 vehicle allowance where $750 was paid statewide," was revised to say that 'the district paid a $13,000 per year vehicle allowance, while $750 per month was paid statewide." Further down in the paragraph, the word "comparable" was added so the sentence reads, "The comparable districts had between 20,000 to 40,000 parcels." The final sentence of the paragraph was changed from "The district's median of $750 per month had a median of the third highest of each county," and was revised to say "The statewide median is $750 per month. Freestone CAD's monthly auto allowance was third highest on the survey." The third paragraph on the second page, the word "mineral" was added to the sentence to say "...the proposed parcel count including minerals for 2027 is 160,000." Mr. Sanders made a motion to approve the amended minutes. Ms. Whyte seconded the motion. Motion carried.

The board then considered the district's monthly financial report for July, 2026. Mr. Awalt stated that the July bill list primarily included mostly ARB expense fees and attorney fees, and that MOI Fairfield and Sun Development lawsuits was dismissed. He also reported that the quarterly payment of $66,250.00 to Pritchard and Abbott for the mineral contract was also paid. Mr. Fryer made a motion to approve the July 2026 financial report, with a second by Mr. Sanders. Motion carried.

The board considered the Investment Officer's Quarterly Report for the quarter ending June 30, 2026. Mr. Awalt reminded the board that the April pledged securities report had not been received, so the approval had been tabled. In reviewing the Summary of Funds, Mr. Awalt stated that there were no changes. The pledged securities for April totaled $556,359, with a total coverage of $806,359. He added that the pledged securities and the FDIC coverage showed that everything was in order, he then asked the board to approve the report as presented. Mr. Dunlap made a motion, with a second by Mr. Fryer to approve the Investment Officer's Quarterly Report ending June 30, 2026. The motion carried.

At 5:46 p.m., the board entered into a public hearing with verification from Mr. Awalt regarding the proposed 2027 operating budget. A copy of the proposed budget was sent to the entities, giving them thirty (30) days to review it as required. The entities were also notified of the public hearing.

Mr. Awalt proceeded to present the proposed budget with several changes. The new proposals addressed the employee insurance premium, and the budgeted amount for the financial auditor. In reviewing the employee health insurance, Mr. Awalt reminded the board that he had originally budgeted an 8 percent increase, as estimated by the Texas Association of Counties (TAC) during its renewal webinar. The actual rate increase for TAC is 12.5 percent. Mr. Awalt reviewed the new payment amounts included in the board packet, which showed increases in medical and dental coverage. The current medical rate paid by the district is $1,168.30 per employee, the new rate is $1,314.34. The district pays the employees whole amount, the employee pays the dependent portion. Dental coverage has increased from $27.44 to $28.58, while the other benefits, including basic life, voluntary dependent life, and short-term disability, remained the same. Mr. Awalt added that the board could consider selecting an option to choose another plan with higher deductibles or requiring the employees to pay a portion of the premium, having a cap on the district's contribution. To pay the budgeted amount, the district could pay the same as last year, while the employees pay the remaining portion of $146.00 per employee.

Mr. Moore updated the budget on the screen so the board could review the difference in percentage changes while they were in discussion. Mr. Awalt stated that, in previous years, the district elected to contribute 15 percent rate to Texas County & District Retirement System (TCDRS), the districts retirement plan provider, making lump-sum payments to offset the unfunded liabilities. After reviewing the graph on the TCDRS website, Mr. Awalt considered reducing the districts contribution to the required rate of 13.59 percent to cover the increase in the employee insurance, allowing the district to continue paying the full premium in 2027. Mr. Dunlap suggested that Mr. Awalt speak with the staff informing them that with the rising cost of health insurance employee contributions may be necessary in the future. The board agreed that the district would pay a rate of 14 percent for 2027 retirement plan to TCDRS. Mr. Awalt reviewed the 12-Month Medical Report, which showed $502,616.59 in medical payments toward the district's medical expenses, $9,950.10 in pharmacy payments, for a total of $512,566.69 paid between April 2025 and March 2026; a total of $4,966.80 was toward dental coverage. With the updated health insurance and retirement rates, the change in the proposed operating expenses increased to 4.96 percent, and the amount to be collected from the entities increased to 6.15 percent. Mr. Awalt informed the board that the fees budgeted for the financial auditor had increased to $15,000; a bid was received in the amount of $16,000. The deadline to submit bids for a financial auditor is August 31, 2026.

After lengthy discussion, Mr. Awalt recommended the board's approval of the proposed 2027 operating budget. He stated that he is required to send a copy to the entities, giving them 30 days to file a resolution to veto the budget. With no further comments from the board, Mr. Dunlap concluded the public hearing at 6:35 p.m.

Continuing with the meeting's agenda, Mr. Dunlap called for action regarding the proposed 2027 operating budget. Mr. Fryer made a motion with a second by Ms. Whyte to approve the proposed 2027 operating budget. The motion carried.

The board considered the approval of the 2027 Plan Benefits for the 2027 Texas County & District Retirement System (TCDRS). The board having discussed the district's retirement plan during the 2027 budget hearing, Ms. Whyte made a motion to approve the rate change of 14 percent for the 2027 plan. Mr. Fryer seconded the motion. The motion carried.

Consideration and action were taken on the 2026 – 2027 Renewal and Benefit Confirmation with the Texas Association of Counties Health and Employee Benefits Pool (TAC). After brief discussion, Mr. Fryer made a motion, with a second by Mr. Dunlap to renew the same plan with TAC for 2026 – 2027 with a 12.5 percent increase. Mr. Dunlap seconded the motion. Motion carried.

There was nothing submitted by the Taxpayer Liaison Officer for the board to review.

Mr. Awalt reported to the board that the appraisers would begin their 2027 field work on August 31. He then asked the board for verbal guidance regarding the depository for 2027 – 2028. With no action to be taken, Mr. Awalt asked whether he should send out bid requests; the board had the option to extend the contract with the current depository for two years. The board agreed that Mr. Awalt should send out bid requests to be approved in the October meeting.

There being no further business, Mr. Dunlap declared the meeting adjourned at 6:46 p.m.

Chairman

Secretary