

SAN PATRICIO COUNTY APPRAISAL DISTRICT  
BOARD OF DIRECTORS MEETING

June 7, 2016

John Curlee - Chairman of the Board, presided over the regular meeting of the Board of Directors for the San Patricio County Appraisal District scheduled for Tuesday, June 7, 2016, at 4:00 p.m.

*Present:* John Curlee, Bill Wilson, Dalia Sanchez, Rufino Lozano - Chief Appraiser, Diana Moss - Secretary.

*Absent:* Jan Whiteley.

Jan Whiteley arrived at 4:03 p.m.

*Visitors:* Rhoda Poenisch - Aransas Pass, Francisca F. Gonzalez- Gregory, Terry Simpson - San Patricio County Judge, Billie Jo Tennill - Odem.

*Public Comments:* Rhoda Poenisch signed up to speak, but had no comment. Peter Low, attorney for the District, stated that concerning the complaint from Francisca Gonzalez he and Mr. Lozano will address this issue. He also stated that it is not on the agenda as an item. Francisca Gonzalez stated she would like to voice a complaint about dealing with this situation. Mr. Curlee said that the Board cannot respond to her complaint at this time. Ms. Gonzalez went on to say this situation happened last Wednesday. There was a delinquent letter that was dated May 26, 2016; it was received on June 1, 2016. Due to the delay more penalties and interest were accumulated. She used to share a mailbox with her Grandpa in Gregory, then in January, 2015 she had her own box. She came into the Appraisal District in December, 2015. Ms. Gonzalez said she had discussed some other issues with her values and at that time she provided her name and physical and mailing address change. After that visit she said, nothing was updated and I did not receive anything with an update until I received this current delinquent notice. She came into the Appraisal District office on Thursday of last week to ask if anything had been determined with the information provided in December. She said everything was still incorrect. The mailing address was changed, but the physical address was still incorrect. She was told that the appraiser could not change the physical address, because it was part of the legal description. She said that was incorrect. She said that just now the appraiser just helped me. She stated that everything should be correct now and it took until December of last year to complete those changes. Ms. Gonzalez said when she left Thursday she still had some questions and asked to speak with Mr. Lozano. She called at 1:00 p.m. and he was on a conference call and called at 2, 3, and 3:45. During all those calls Mr. Lozano was busy. She called the next morning and asked when she could speak with Mr. Lozano and whoever answered the telephone put her on hold and went and asked someone. That person who came back stated that Ms.

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Gonzalez could come and wait at the office and maybe he would have time to see her. Ms. Gonzalez said that she asked if there was any time during the week and was told that she could come and wait to see Mr. Lozano. What do you do when you have this kind of matter and you have no one to talk with about the ongoing issues? This is her complaint other than the taxes.

Judge Simpson addressed the Board with some questions about the appraisals. Last year we were surprised with a 138 million dollar loss after we set our budgets. He said this is a \$600,000 issue with our budget. He asked if we are going to be heading in the same direction this year. The last 13 years he has not received anything from the Appraisal District on time. He was getting a little frustrated with this process. He has voiced this before and did not know if notices went out. He said that notices should have been out a long time ago. He is holding budget hearings and will have one more day. Everybody is asking for things and he has no way of knowing if he will have any money. He does not know if he will be able to do anything more than he had last year. How long will it take with these large accounts under protest? These large accounts are finally heard and then we receive a big loss in revenue. We are still hearing of cases from last year that were not heard. This is totally ridiculous! The City of Portland had a huge lost form last year and there are accounts that are foreclosed and new foreclosures. The companies Advanced Pipeline and Oil and Gas still have no resolutions on their protest. Mr. Lozano needs to do his job timely. We can't get away with telling people we don't have time for them and make them come and wait to see him. I would not be in office very long and if this is the way the public is being treated that is wrong. He makes time to see people even if he is very busy, I make time. He went on to say that the Appraisal District thinks it is not a public entity, but I believe it is. The Board can do what they want; but I asked for help before and still need help.

Mr. Curlee asked Mr. Lozano to address every one of the Judges questions and Francisca Gonzalez questions too. Mr. Lozano stated that he would.

*Minutes:* The Board considered and reviewed the minutes from the regular meeting on May 9, 2016. A motion was made by Mr. Wilson to approve the minutes with a second to the motion by Mrs. Sanchez. The motion carried unanimously.

*Accounts Payable:* The Board considered and reviewed the accounts payable. A motion was made by Mrs. Sanchez to approve the accounts payable with a second to the motion by Dr. Matula. The motion carried unanimously.

*Report by Chief Appraiser, Pritchard & Abbott and Harris Govern:* Mr. Curlee stated he wanted to hear from Harris Govern. He went on to say it seems like it has taken a long time to get the data moved from one software vendor to the other. The latest issue is involving history from 2011 through 2015. I have been through two software conversion with a bank which was not fun. If you have software data that is good why can't it be moved across? He understood that there has been some progress in the last few days in clearing up some of the issues. Harris Govern asked if they could go through the process and hopefully address those issues.

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Mr. Curlee said it is not our intent to hang anyone out to dry; the Board just wants some answers. Andrew Wright introduced himself and John Weber. He said that Harris Govern more commonly known as True Automation has been in business for 20 years. We do business with 112 appraisal districts and 105 tax offices. The Board was given a project status update and where the job stands today. He acknowledged that the notices were late according to the statues

by the Comptroller. They were working with the Appraisal District and Pritchard and Abbott even up unto last week to make sure everything was up to date. We have been working with ACT on the mapping system that the tax office uses. He showed the Board a spreadsheet for each year and the difference. There is still information being obtained from Mr. Lozano concerning exemptions on homesteads and veterans. It is not uncommon to have some of these issues; if you have done a bank conversion you would know it is common at some level on the variance. They will continue working forward with P & A and the CAD on the difference and as time goes on it gets less. We are working to get with the Tax office on their conversion. This is where the conversion stands today with the Appraisal District. The system is working and the notices have been sent.

Mr. Curlee thanked Harris Govern.

Mr. Curlee asked Jason Driskell if they had anything to add to this and he stated that they at Pritchard and Abbott continue to provide Harris Govern with whatever documentation they need to balance.

Mr. Curlee asked Harris Govern to go back to the table. From his conversation with Mr. Lozano this is quite a big improvement. He asked if rounding plays a factor and Harris Govern stated it plays a big part.

The Board asked questions to Harris Govern to better understand the conversion.

Mr. Curlee asked the Board if they had any further questions. Harris Govern stated that in quality standards this is a very high conversion. Mr. Wright was saying the difference is relatively small. Mr. Lozano said he would like to sign off on these values and still look for those numbers. Once we sign off they will give us a spreadsheet and we will look at those numbers. He went on to say he feels they are the prorated accounts. Mr. Curlee thanked Harris Govern and Pritchard and Abbott working together.

Judge Simpson stated there is no way he can get values to me by the end of July with all the protests still to be address. This is where it has been previously and last year. Mr. Lozano said the law states that we can certify at 95% and the Board has approved that we can move forward with those numbers. Judge Simpson asked if there are big accounts that fall within the 95%, he needs to be kept informed. When the ARB or whoever turtles up it affects my values.

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Mr. Wilson stated that the City of Ingleside is implementing a strategy in the tax abatement to limit the industry in this delay game. He went on to say that is a very intelligent approach. He talked with Gregory Portland ISD to consider the same approach. He thinks the County should consider the same.

*Survey Cards:* The Board considered and reviewed the Appraisal District Survey Cards and letter. The Board acknowledged the report on the survey cards for May, 2016.

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*Credit Card Policy:* Mr. Lozano stated that Peter Low has had an opportunity to review the Credit Card Policy and has implemented some updates. Mr. Curlee asked Mr. Lozano to give a 25 word or less. Mr. Lozano went over the policy verbatim with the Board. Peter Low stated if the Board is uncomfortable with anything stated in the policy or wants to change verbiage please feel free to do so. A motion was made by Mr. Wilson to approve the Credit Card Policy as summited with second to the motion by Mrs. Sanchez. Mr. Lozano stated that this policy is subject to revision or revocation any time the Board decides. The motion carried unanimously.

Mr. Curlee informed the Board that Mr. Wilson needs to leave at 6:30 p.m. and Mrs. Sanchez needs to leave at 6:00 p.m.

Mr. Curlee said that he received a letter from Mrs. Poenisch yesterday. It was not in time for any official consideration and he plans to share the letter with the Board. He will make a determination with the Board.

*Present and Future Industrial Appraisals and Potential Related Litigation:* Will take place in executive session

*Online Hosting by Harris Govern:* Mr. Lozano stated, through the Harris Govern software we can allow taxpayers to post their protest online if they meet the eligible requirements via the web portal. This will allow approximately 13,000 taxpayers to file online. The requirements are that the taxpayer has to have a homestead on the property protested and received a notice of appraised value. After several questions from the Board, Mr. Lozano informed the Board that the Comptroller requires this be available to the public. Dr. Matula stated we need to have a policy in place for processing this protest. A motion was made by Dr. Matula to approve online hosting with Harris Govern with a second by Mrs. Sanchez. The motion carried unanimously.

*Litigation:* Will take place in executive session,

*Executive Session:* The Board went into session at 5:20 p.m.

*Open Session:* The Board went into open session at 6:08 p.m.

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Mrs. Sanchez left the meeting at 6:00 p.m.

*2015 Budget Surplus:* Mr. Curlee said that the Board's consensus was to instruct Mr. Lozano to contact the entities and to keep the surplus as a committed fund for future litigation. Peter Low stated assuming that it is okay with the entities to retain the surplus. He would like to put the action to retain the surplus on the next agenda and the Board would do it by resolution. Mr. Low asked with the Board's permission and some information from Mr. Lozano he would write the resolution.

*Report by Chief Appraiser:*

*Printing Equipment and third party printing options:* Mr. Lozano informed the Board what the District is paying monthly for the Xerox copier. The new contract is lower than the current contract. He informed the Board that we are asking to terminate the current contract and enter into two printers at the lower price. Mr. Lozano asked the Board to allow us to purchase desktop printers for all appraisers. The cost would be the sale price of \$150.00 each. We are also looking at purchasing 12 desktop printers.

*TCEQ Attendance:* Mr. Curlee asked Mr. Lozano if he had any meetings in the next thirty days. On Monday is a Prop 2 meeting on Monday, June 13<sup>th</sup> and the regular TCEQ meet on Wednesday, June 22<sup>nd</sup>. The agenda does not have San Patricio County listed. He was asked by the Board if he participated during the hearings and Mr. Lozano stated that "yes" he has in the past. Mr. Curlee said that if Mr. Lozano needed to attend it would be ok with the Board.

*Prioritized items on David Oehler's report:* Mr. Curlee stated that he and Mr. Lozano have discussed this previously. He has asked Mr. Lozano to precede with job description assignments. The example brought up was a Deed Clerk, Business Personal Property Clerk and GIS Clerk needs to be one person. You need to double up on those positions that will be fine, but we need to be moving forward on those positions. You need to adjust the Pictometry contract, but that does not need to take place tomorrow. Mr. Curlee said we have addressed TCEQ meetings and credit cards. He stated you are moving forward on the scanning and printing. He mentioned that the Board would need to decide about sending out all the notices or only those properties that have changed by \$1,000. The reserved budget needs to be further discussed. The District has hired a receptionist and the budget is set up for 15 employees. You need to move forward to hire the additional staff needed. Mr. Lozano asked the Board concerning the salary adjustments. We have potential employees come in and asked about the salary, what can I tell them? Mr. Curlee said we need to continue discussions on the salaries. We will need to have a Workshop meeting on the budget. Mr. Wilson stated that those areas where our report from David Oehler suggested that people were already over compensated, the District needs to be careful. He said that those who were under compensated needs to be implemented. We need to consider a salary valuation. Mr. Curlee said the position for a senior appraiser or office manager for the District needs to be implemented. The District needs to move forward on the report. Mr. Lozano stated that since we have moved forward through half

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the year on those three positions, I would like to consider hiring a second receptionist to assist on the scanning and working the front desk. He is looking at hiring three more appraisers. Mr. Curlee asked that a draft budget needs to be brought before the Board before the District sends them to the entities. Mr. Lozano asked Mr. Curlee if we can move forward on the 2015 Budget Amendments. Mr. Curlee said to move forward on 2015 Budget Amendments to the entities.

Mr. Wilson left the meeting at 6:30 p.m.

*Financial and Operations:* Mr. Lozano reported to the Board concerning the financial and operations.

*Re-Appraisal Plan:* Mr. Lozano stated that we are not in our normal time line for the notices, but they have been mailed. He stated that the notices include a note about the timeline and the taxpayer will still have 30 days to protest. The deadline is July 8<sup>th</sup>.

*MAP Review:* Mr. Lozano stated that additional information was sent in to the MAP reviewer. He hopes that the items meet the requirements that had been requested. The online filing process has been completed and we will need some staff training. Mr. Lozano said we do have a few more items to complete for the review.

*Chief Appraiser's Evaluation for 2015 and 2016:* Mr. Curlee stated if the Board has a copy of their evaluation to turn in the form in and he will tabulate for the next meeting.

*Review Board of Directors meeting times:* The Board reiterated the meeting dates for Tuesday, July 12<sup>th</sup> at 9:00 a.m. and Monday, August, 9<sup>th</sup> at 9:00 a.m.

*New Business for Following Agenda:* Mr. Lozano stated Ratification of the Xerox Lease, Chief Appraiser's Evaluation, and Board of Directors meeting times. Mr. Curlee asked to include the Budget Amendment and Budget Surplus.

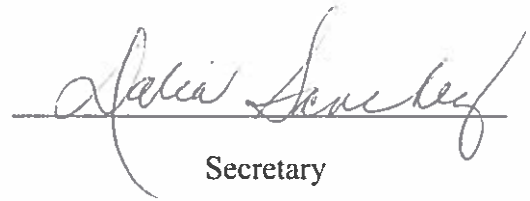
Mr. Lozano said he knew that the Judge brought up the 95% before certification, what does the Board wants us to do? Mr. Curlee asked that Mr. Lozano pay more attention to scheduling and ARB hearings. He instructed Mr. Lozano that we need to start the hearings as soon as possible. Mr. Lozano said that we have hearings scheduling for June 22<sup>nd</sup>. Mr. Low asked the Board if they were comfortable with the 95% that the Judge mentioned. The Board asked Mr. Lozano to inform them as to where the values are by the next meeting.

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Mr. Curlee thanked Mrs. Poenisch for the letter she sent to him.

The meeting was adjourned by Mr. Curlee at 6:45 p.m.

  
Chairman

  
Secretary