

MINUTES
OF THE
SAN PATRICIO COUNTY APPRAISAL DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
AUGUST 20, 2019

Meeting called to order by Mr. John Curlee at 9:29 am

Item #1. Invocation was delivered by Mr. Robert Cenci, Chief Appraiser.

Item #2. Pledge of Allegiance Led by Mr. John Curlee, Chairman.

Item #3. Roll Call: Mr. John Curlee, Dr. Anne Matula, Ms. Billie Jo Tennill, Mr. Bill Wilson and Ms. Dalia Sanchez.

Also, in attendance; Mr. Robert Cenci - Chief Appraiser, Assistant Chief Appraiser – Shirley Madej, Melinda Garza – HR and Financial Coordinator and Ms. Julie Overstreet - Recording Secretary.

Item #4. Public Comment: None.

Item #5. Approval of minutes of July 16, 2019 BOD Regular Hearing Meeting: Dr. Matula moved to approve, seconded by Ms. Tennill, motion passed unanimously.

Item #6. Discussion and/or Regarding Appraisal District Survey Cards - The board took notice.

Item #7. Financial Report;

- A. Review of Accounts payable:** The Board reviewed accounts payable. Mr. Cenci stated that large checks had been cut for True Automation and Pictometry.
- B. Review of Balance Sheet:** No change on the Agency fund. The plan is to refund the base tax to property owners. The \$48,000.00, left over, attorney fees may end up being returned to the entities involved at the time.
- C. Review of P&L:** Doing good on collections.
- D. Monthly Bank Investment Report:** District is adequately collateralized. Board satisfied.

Item #8. Unfinished Business;

- a). Discussion and/or Action Regarding San Patricio County Tax Collector's Office to Complete planned Software Conversion:** True Automation is working on the new EPACS, revamping the program therefore nothing will happen.

Item #9. Receive Reports from SPCAD's Attorney Regarding Pending Litigation and New Legislation; Consideration and Possible Action on Matters Discussed in Attorney's Report. (Discussion may take place in Executive Session)

Meeting broke at 11:07

Item #10. Executive Session - No Action Taken

- a) **Texas Government Code Section 551.071. To consult with the district's attorney regarding all purposes authorized under this section of the open meeting act, to include pending and contemplated litigation; or a settlement offer; or on a matter in which the duty of the attorney of the District under the Texas Disciplinary Rules of Professional Conduct clearly conflict with the open's meetings act.**
- **Pending Lawsuit Discussion/Possible Settlements**

Item #11. Return to Open Session - 12:23

Ryan James with Low and Sweeney gave a Legislative update;

HB3 – School Finance Bill.

SB2 – Rollback Rate 3.5, exclude new construction, Notice Requirement.

HB380 – Allows prop owner to file a lawsuit after ARB dismisses suit.

HB861 – Removes P&I following a property value lawsuit.

HB492 – New exemption process following a natural disaster – Subject to voter November Approval. (all properties) (current year?)

HB1743 – Ag Rollback now 3 years back. Based on when the actual change occurred.

Item #12. Discussion and/or Action on Matters Discussed in Executive Session – No action

Item #13. New Business –

- a) **Discussion and/or Action Regarding Adoption of the 2020 Proposed Budget –** Mr. Wilson moved to adopt the 2020 Budget discussed in the Public Hearing meeting which took place prior to this meeting, seconded by Ms. Sanchez. Voice vote taken; Mr. Matula – in favor of the motion, Ms. Tennill – in favor of the motion, Mr. Curley – for, Mr. Wilson, in favor, Ms. Sanchez – for the motion. Motion passed unanimously.
- b) **Discussion and/or Action Pertaining to the Department of Labor Back Wages Payout -** Investigator with Wage and Hour Department of Labor conducted an audit of our payroll. Documentation requested was provided to him. His focused seemed to be on new employees employed for 6 months but the situation changed within a couple of weeks after the last meeting with him. His finding was that we were incorrectly treating the appraisers as exempt employees as they did not meet the tests required under any categories. Senior appraisers did not qualify as they were not full-blown department heads. Appraisers should be treated as hourly under CFR's rules. A liability was found of \$7449.05 grand total of back wages owed, going back 2 years, to certain people. There are 2 ways to compensate for over time, straight hourly over 40 hours we are subject to pay time & a half. Annual salary employees will only be paid ½ time on anything over 40 hours. Going forward appraisers will be paid ½ time for any time worked over 40 hours. Ms. Sanchez moved to approve the pay out of back wages to employees, Ms. Tennill seconded the motion. Motion passed unanimously.
- c) **Discussion and/or Action Related to Approving a Quote for Office Expansion Contractor –** Melinda summarized quotes for the expansion; Chris with Weaver & Jacobs quote \$147,000,

over budget, budgeted 128k . Alpha who is based out of SA with offices in Victoria quoted \$121,252.00. Dr. Matula moved to table for next month's meeting, Ms. Tennill seconded the motion. Motion passed unanimously.

*** Have references on Alpha for the next meeting.

- d) **Discussion and/or Action Related to Harris Govern GIS Contract** - Board reviewed the contract, which was also reviewed by the AD attorney, and a green light given. True Automation has been contracted for \$22, 375.00, for one year of services, to take on routine GIS functions to remove the burden off the AD GIS staff. Dr. Matula moved to approve, seconded by Ms. Sanchez. Motion passed unanimously.
- e) **Discussion and/or Action Regarding Linebarger Analytical's Homestead Audit Project** - Mr. Pete Slover with Linebarger Analytics and Information Services addressed the board regarding the Homestead Audit Services they may be providing to the SPCAD. The Board reviewed an updated version of the presentation discussed earlier this year. He discussed the Homestead Audit Project contract and the Chapter 41 question from the Vice Chair from the last meeting and how the recapture may be affected by this audit. He went over the revenue estimate. He is confident that the revenue will be more to the right side of the revenue estimate column based on results from Cameron, McClendon and Galveston counties. He is confident that it will pay more than the fees of the two parties involved. Mr. Slover went over the structure of the contract. Mr. Cenci has negotiated a very favorable pricing for these services, 5.50 per HS which compared to \$7.00. The contract is structured without legal services provided. Transunion is one party to this contract they will provide data services, run batch process which will return a score list of accounts, once the list is provided their job is done and that represents \$2.00 of \$5.50. The remaining are identified as potential erroneous cases. The call center will research, send out letters of inquiry to homeowner, aside from the statutory letters sent out by the AD staff, followed by exemption removal results with documentation. The appraisal district staff will decide as per the tax code if the exemption will be removed and as to the number of years to go back.
- The contract with Transunion would be paid first.
The contract with Linebarger equals to \$48, 863.00 at 3.50 per HS, with flexible payment terms, a 2-year contract with a target date of October 2021, final payment with final audit results.

Mr. Slover discussed the Chapter 41 recapture; he claims there have not been any issues with other counties. There are two ISD's affected in SPC; Ingleside has been reduced under the current recapture law from 5,900,000 million to 1.1 million. GP has gone from 217, 814.00 to zero. GP is no longer a recapture school district according to TDA for the 2020 and 2021 forecast.

Mr. Wilson moved to authorize the contract with Linebarger Analytics for the Homestead Project at 3.50 per HS for an estimated total of \$48,863.50, seconded by Ms. Sanchez. Motion passed unanimously. Mr. Wilson moved to authorize the contract with Transunion at \$2.00 per HS for an estimated total of \$27,922.00, Dr. Matula seconded the motion. Motion passed unanimously.

Item #14. Chief Appraiser Report;

- a) **2019 Certification Status** - Roll certified July 20, 2019.
- b) **Vehicle Purchases** – we will replace lemon right away and another one which is in budget.
- c) **Upcoming Board Actions** -
 - **ARB member appointments** - BOD asked to reappoint.
 - **BOD member appointments** – terming out, begin process of voting entitlement. Deadline is October 1.
 - **AG member appointments** – will establish staggered terms.
 - **Auditor for 2020** – 2-year agreement, will send out RFQ.

Item #15. Discussion of New Business for Next Month's Agenda

Vehicle purchase

Office remodel, references on Alpha

Personnel Manual update to reflect DOL

Item #16. Set date and time for next meeting – September 17, 2019 @ 8:30 am.

Item #17. Adjourn - 12:57



Chairman

9-17-2019
Date



Secretary

9-17-2019
Date