

GUADALUPE APPRAISAL DISTRICT



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REGULAR SESSION OF THE BOARD OF DIRECTORS

January 9, 2019

1. CALL TO ORDER

Dr. Gilcrease called the meeting to order at 5:32 p.m.

2. ROLL CALL

All members were in attendance except for Mr. John. Others present were, Erich Strey, Jamie Osborne, and Rose Radtke.

3. CITIZENS' COMMENTS – None.

4. TAXPAYER LIAISON REPORT – Tavia Murphy was not present.

5. ACTION: APPROVAL OF MINUTES OF THE REGULAR MEETING HELD DECEMBER 5, 2018 –

Mr. Dunn made a motion to approve the minutes of the regular meeting held December 5, 2018. Mr. Amador seconded the motion, and passed unanimously.

6. ACTION: APPROVAL OF MINUTES OF THE CALLED MEETING HELD DECEMBER 12, 2018 –

Mr. Kearns made a motion to approve the minutes of the called meeting held December 12, 2018. Mr. Amador seconded the motion, and passed unanimously.

7. ACTION: APPROVAL OF FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2018 –

Osborne stated the quarterly investment report was also included with the financial statements for November and December 2018. Osborne noted that at the end of the yearly CD investment term, the District was at a rate of .6% and had entered a new term at 2.12%. Osborne stated the District was 8.46% under budget in November 2018 and 12.3% under budget for December 2018. Osborne recapped that there was a Budget Amendment approved for 2018, that set aside \$69,345 for building projects. Mr. Dunn made a motion to approve the financial statement for November and December 2018. Mr. Kearns seconded the motion, and passed unanimously.

8. ACTION: APPROVAL OF 2019 INVESTMENT POLICY | RESOLUTION 2019-1 –

Osborne noted that per recommendation from the District's investment professional Linda Patterson, the most notable additions was to add letters of credit for banks to hold as authorized collateral to the investment policy. Mr. Kearns made a motion to approve the 2019 investment policy. Mr. Amador seconded the motion, and passed unanimously.

9. ACTION: APPROVAL OF 2019 BROKER DEALER LIST –

Osborne stated that annually, the board is required to adopt an official broker dealers list. Osborne also made note she had checked the credentials on the broker check website ranging in years of experience and found no disclosures or judgements for the brokers on the proposed broker list. Mr. Dunn made a motion to approve the Broker Dealer List. Mr. Amador seconded the motion, and passed unanimously.

10. EXECUTIVE SESSION: For a private consultation with the Board's Attorney with respect to pending or contemplated litigation, settlement offers, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, clearly conflicts with this

chapter, authorized and pursuant to Texas Government Code (Sec. 551-071). – The Board did not go into closed session.

11. EXECUTIVE SESSION: The Board may retire to executive session to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee, authorized and pursuant to Texas Government Code (Sec. 551-074) – The Board did not go into closed session.

12. DISCUSSION/ACTION: TAKE ANY ACTION BASED ON DISCUSSION HELD IN CLOSED SESSION UNDER AGENDA ITEM #10 – No action taken.

13. DISCUSSION/ACTION: TAKE ANY ACTION BASED ON DISCUSSION HELD IN CLOSED SESSION UNDER AGENDA ITEM #11 – No action taken.

14. DISCUSSION: 86th REGULAR TEXAS LEGISLATIVE SESSION – PROPOSED LEGISLATION – T.A.A.D. LEGISLATIVE PRIORTIES – Osborne presented a single page handout and a packet containing the pertinent proposed T.A.A.D. legislation priorities, and proposed legislation. Osborne also stated that T.A.A.D. provides education services and each year puts together legislative priorities. Osborne noted that there are 7 legislative priorities on the single page handout to bring to the B.O.D.'s attention, first being, Transparency. The proposed legislation would remove the estimation of taxes from the Notice of Appraised Value. The District would be required to do a second mailing in August. Next, is opposing legislation that politicizes the appraisal process suggesting or requiring the B.O.D., Chief Appraiser or A.R.B. members be elected by the public. The next legislation priority item recommends a constitutional requirement for a single market value standard on all property. The fourth item on the handout to note is the recommendation to maintain the current appraisal certification deadline. The fifth legislation priority item suggests providing limited M.A.P. reviews for appraisal districts that obtain a Certificate of Excellence in Appraisal Administration through I.A.A.O., as well as a limited scope M.A.P.S. Review for districts that have had natural disasters declared. Osborne noted that there is also legislation to create a Disaster Exemption through the Tax Code giving a local option to taxing entities that wish to conduct a reappraisal in a natural disaster area once it is declared by the Governor. Equal and uniform; this legislation focuses on maintaining a priority in all the legislation coming through impacting property tax. HB54 and companion bill SB67 propose the creation of the Property Tax Administration Advisory Board to be appointed by the Comptroller overseeing the Appraisal Districts and Tax Offices. With this legislation, there would be additional training for A.R.B. members and the Comptroller would create an Arbitration Manual to provide more direction with Arbitrations. In the next legislation, persons in counties with a population of 120,000 may not serve as A.R.B. members if they have served in all or part of the 3 previous terms as an A.R.B member. Osborne noted that another significant item included would be that the A.R.B. may not raise the value of a property above the noticed value. HB163 changes the change in use penalty in agricultural land and would change the roll back from 5 to 3 years, as well as a change to the interest rate. HB164, states the Chief Appraiser must exclude from market value any improvements made to comply with the A.D.A. Osborne noted that HB185 would allow for a study to determine the impact on property taxes if sales disclosure was required. Osborne noted in HB194, the recommendation to increase minimum wage increase to \$15.00 per hour and there is another bill that would change minimum wage to \$10.10 per hour with a step increase from there. Osborne noted on pg4, a bill that would prevent any political subdivision from using public funds to lobby for legislative change even though an organization to which the public funds are used for membership dues. HB358 states that bond elections by a political subdivision would be held on a uniform election date. HB360 extends the abatement provision in the Tax Code under Chapter 312 used by some of the cities and counties for economic development. HB383 would change the homestead cap from 10% to 5%. HB384 is a local option exemption that would apply to those over 80 years of age, and would basically zero them out. HB433 states that any public subdivision that imposes a tax and uses money for lobbyists to influence legislation must disclose on any comprehensive annual financial report the total amount spent during the fiscal year to influence legislation and the name of each lobbyist hired. HB453 is a local option exemption up to a 50% exemption for Doctors that are providing health services to county residents without any payment source. HB483 changes the makeup of the Board of Directors of a C.A.D. and the members that can request an audit of the C.A.D. The B.O.D. will have five members with one being elected from each of the four commissioners' precincts of the

county at the general election and serve two year terms. HB484 adds and expands late protests under §25.25, Clerical Errors to the A.R.B. Additionally if there is property that is sold this would allow the A.R.B. a window to go back to change the value based on sale of a property. HB490 mentions some of the T.A.A.D. legislative properties requiring the C.A.D. to mail an additional notice with an estimation of taxes and removing the estimate of taxes on the N.A.V. This bill provides for an exemption to real and personal property located in a disaster area that is at least 15% damaged. The taxing unit will adopt the exemption not later than 60 days after the Governor declares the disaster area. The chief appraiser will categorize each property as a Level I, II, III, or IV damage level and then a percentage exemption is applied to each level. HB493 very similar to HB490 with the difference being that the taxing units may apply to the Comptroller for reimbursements of funds lost due to the exemption. HB564 relates to the definition of "heavy equipment" for purposes of taxation of certain dealer's heavy equipment inventory. This bill states that a natural gas compressor package or unit is not considered "heavy equipment" for purposes of appraising as such. HB614 relates to rollback from 5 to 3 years but removes the interest portion altogether. HB639 relates ecological labs that lease the property out to a University. The requirement that has changed is the amount of years the University has to use the property to fall under the valuation. HB648 allows for a city or county to adopt by June 30 of a year to be effective 1/1 of the following year a "supplemental sales tax" instead of a property tax. This tax will be calculated by a formula that utilizes the amount of loss due to the abolition of the property tax to allow the city or county to receive the same amount of revenue from the sales tax that they would have received from the property tax. SB82 states that a political subdivision or private entity that receives state funds may not pay lobbying expenses. SB113 relates to raising minimum wage. SB129 adds an exemption for "first responders". SB135 relates again to the Eco. labs. SB196, is identical to HB275 allows for a homestead exemption of surviving spouses of members of the armed forces killed in action to state killed in action or fatally injured in the line of duty. SB239 would allow internet broadcast for our open meetings to be broadcast over the internet for special districts. SB248 removes the requirement for the treasurer, chief financial officer, or investment officer of an I.S.D. or city to attend public funds investment training.

15. Chief Appraiser's Report

- a.) **4th Quarter Clerical Changes** – Osborne presented the 4th quarter clerical changes to the board for review.
- b.) **2019 Appraisal Inspection Update** – Strey stated that this month the District has added 1,453 new residences to the appraisal roll for 2019. Total inspections to date total 12,682. There were 111 new homes built in the Seguin School District at an average of \$194,348 per new home, 487 in the Schertz Cibolo School District at an average of \$193,710 per home, 428 in the New Braunfels School District at an average of \$176,065 per home, and 128 were in the Navarro School District at an average of \$174,864 per home

Osborne noted that the District's Property Value Study results for 2018 are out by January 31, 2019. Osborne stated that the February meeting agenda will include for the B.O.D.'s consideration, consultation services with Perdue, Brandon, Fielder, Collins, & Mott for evaluation of the study results. Osborne also noted that all the District's training days for 2019 will be added to the February agenda for the B.O.D.'s consideration.

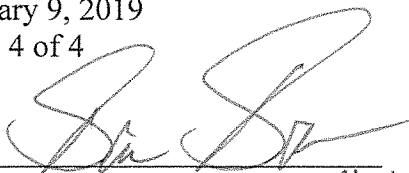
16. Directors' Report – None.

17. Adjournment –Mr. Dunn made a motion to adjourn the meeting. Mr. Amador seconded the motion, and passed unanimously. Dr. Gilcrease adjourned the meeting at 6:16 p.m.

Board of Directors Meeting

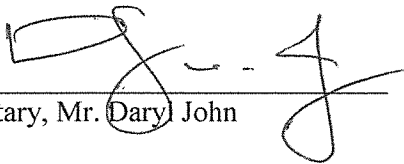
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Chair, Dr. Greg Gilcrease Vice-Chair
MR. DARREN DUNN

ATTEST:



Secretary, Mr. Daryl John