

**BOARD OF DIRECTORS MEETING
JANUARY 11, 2022**

The Board of Directors of Comal Appraisal District met at the appraisal district office located at 900 S. Seguin Avenue, New Braunfels, TX. Members present were Eric Couch, Brad Howell, Douglas Miller II, Nancy Pappas, John Tyler and Kristen Hoyt. Others present were Rufino H. Lozano, Chris Kudrna, Judge Krause, Lindsey Witty, Jeffrey Booker, Ryan Dow, Tony Vedia, Josue Arellano, Phil Day, Hannah Garcia, Michelle Sifuentes, Missy Villareal, Guy Anderson, Larry Hermance, Steve Hosier, Don Wehring, Vincent Kemendo, Marilyn Manford, John Cox, Barbara Stubblefield, Lloy Pope and Pam Krause.

Mr. Lozano called the meeting to order at 5:32 p.m. by stating, "This meeting is being held in open session in accordance with Chapter 551 of the Texas Government Code and business as conducted by the Board will be done so in open session. We will start each regular session with prayer and pledges to the flags. All persons in attendance are welcome and free to participate or not at their personal discretion."

The Pledges of Allegiance to the American and Texas flags were recited. Pam Krause led the prayer.

1. OATH OF OFFICE

Mr. Lozano opened the meeting at 5:32pm and recognized Judge Krause as giving the oath. Judge Krause gave the oath and congratulated the board.

2. ELECTION OF OFFICERS

A motion was made by Eric Couch; seconded by Douglas Miller II; to nominate John Tyler, Chairman; A motion was made by Kristen Hoyt; seconded by Douglas Miller II; to nominate Nancy Pappas, Vice Chairman; A motion was made by Nancy Pappas; seconded by Douglas Miller II; to nominate Brad Howell, Secretary. Motions passed unanimously by show of hands.

3. CITIZENS COMMUNICATIONS

No one wished to speak.

4. RECOGNITION OF PAST ARB MEMBERS

Mr. Tyler presented the awards to all attending past ARB members and thanked them for their service.

5. INTRODUCTION OF NEW ARB MEMBERS

Mr. Tyler introduced all the attending new ARB members.

6. CONSIDERATION AND ACTION: REQUEST FOR REIMBURSEMENT AND CLARIFICATION ON FUTURE EXPENSE REIMBURSEMENT(S)

A motion was made by Douglas Miller, II; seconded by Brad Howell; to approve the reimbursement as Presented. Motion passed unanimously by show of hands.

7. CONSIDERATION AND ACTION: APPROVAL OF MINUTES

A motion was made by Nancy Pappas; seconded by Kristen Hoyt; to approve the minutes of the Regular Meeting of December 14, 2022 as presented. Motion passed unanimously by show of hands.

8. TAXPAYER LIAISON OFFICER REPORT

Mr. Hermance gave his presentation and reviewed comment cards. He stated that he would cover "what the TLO does" at the next meeting.

Mr. Tyler stated that first year was the first year the district transitioned into a TLO. He added that the first thing he noticed was that the comment cards were good but not the online Google comments. He has done a great job following up on them. He added that some of the complaints are legitimate and some are made up people. Mr. Tyler asked that if people heard or received any complaints to refer them to Mr. Hermance. He stated that he appreciated the staff introductions that Mr. Hermance does

and looks forward to him bringing those back.

Ms. Hoyt stated that Mr. Hermance had also been an asset to the tax office and she appreciated all his work in the last year.

9. **CONSIDERATION AND ACTION: APPROVE THE AMENDED 2022 SALARY SCHEDULE**

Mr. Lozano stated he polled fourteen appraisal districts but didn't get answers from everyone.

He reviewed the information presented and stated that we were in line with the rest of the state.

Mr. Lozano stated we were at 4,800-4,900 parcels per appraiser.

Mr. Couch asked for explanation between the Tract 1 and Tract 2 minimum and maximums. Mr. Lozano stated that Tract 1 has no prior experience in the ad valorem field and they do not have a college degree. Tract 2 does have a college degree or they have some background with an appraisal district in the past or they are coming from an appraisal district. He stated that Tract 3 has a degree in the specific field of work they are doing. His example was if the person had done business administration, degree in real estate or mathematic degree would put them in the Tract 3. Mr. Couch asked who set the ladder from the level 1 to level 4 with regard to the time frame that is set. Mr. Lozano stated that the state sets the pace of 3-5 years; however, in order to get an RPA designation you must have at least 3 years of field work. No one could achieve an RPA designation in less than 3 years.

There was some discussion regarding the percentages for increases. Mr. Couch asked for clarification on the budgeted funds and Mr. Dow explained the budgeted personnel funds. He explained that there was a \$21k shortfall or "behind the line" of employee expenses in the 2022 budget. As noted, that is due to promoting Senior Appraisers whose salary increases were not expected/budgeted along with some other position changes and promotions as well that were not budgeted. He added that some of those costs were offset by employees with longevity leaving and being replaced with less experience employees. Mr. Dow stated that he tried to present the whole picture in the notes as well.

Mr. Tyler stated, in wrap up, that in December the board approved a 1.2% increase to be revisited in the January meeting, since they did not feel that the 1.2% increase was a little low. He stated that the board looked to the County providing a 4% every 2 years and thought they would like to go to 2% but needed this information to be able to do that. Mr. Dow also noted that there were plans to add 2 additional Senior Appraisers in the Commercial Department and 1 additional Senior Appraiser in the Customer Service Department which would be unexpected/nonbudgeted expenses for the 2022 year. He clarified that Senior positions were not additional employee but promotions. He stated that the 2021 COLA was 1.2% out of a budgeted 1.5%, the average 2021 merit was 1.3% out of budgeted 3.5%, for historical information. Mr. Dow reviewed the next chart that factored the 1.2% increase approved in December of 2021 all the way up to 4%. He added that you can see how the increases affect each kind of reserve. Even with the highest increase this would not go over the budgeted amounts.

Judge Krause gave an overview of the adjustments the County gave. He reiterated there was no COLA given in 2022. The system now works on longevity not cost of living or merit to insure there were no great variances in employees, and avoid a new hire and a long-term employee from making the same amount of money in a similar position. Judge Krause stated they would probably look at giving a COLA in the off/non-adjusted years. Mr. Lozano recommended a 3% increase.

A motion was made by Eric Couch; seconded by Nancy Pappas; to approve the amended 2022 Salary Schedule with a 2.2% COLA as presented. Motion passed unanimously by show of hands.

10. **PRESENTATION OF THE 3RD PARTY HR CONTRACT PROCESS**

Mr. Tyler stated that the Board recognized that there was no 3rd party that employees could go to in confidence, which they find needed.

The 3rd party will supply a phone number for complaints to be reported. Staff can still go to Pam Krause/traditional complaint procedure and it would be investigated and resolved. Depending on the severity of the complaint, Natalie Rougeux may be involved along with Mr. Dudney. They will consult on the proper steps and procedures, timeline, interview, results and resolution. The board wants the monthly report to go straight to John Tyler.

Mr. Couch stated that most complaints that go to the 3rd party provider will most likely be on upper management and we must remove upper management from the process or availability to the information or process. Mr. Lozano stated that this is how we have used Natalie Rougeux in the past. Mr. Couch stated he felt that there needed to be a formal written policy that would be voted on at the next meeting.

11. DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE THE SECRETARY OF THE BOARD TO NOTIFY THE TAXING ENTITIES OF INTENT TO MAKE LINE-ITEM TRANSFERS IN THE 2021 BUDGET

Mr. Lozano stated that we did not have all of the information needed to make these decisions and would like to table the item.

A motion was made by Nancy Pappas; seconded by Eric Couch; to table authorizing the secretary of the board to notify the taxing entities of intent to make line-item transfers in the 2021 budget as presented. Motion passed unanimously by show of hands.

12. CONSIDERATION AND ACTION: APPROVE AMENDED CONTRACT WITH MATTHEWS & JOHNSON CPAS FOR 2021 & 2022 FINANCIAL AUDIT

A motion was made by Brad Howell; seconded by Douglas Miller II; to approve the replacement contract of Matthews and Johnson CPAs, LLC in place of the existing contract with Reed & Company, LLC for the 2021-2022 Financial Audit as presented. Motion passed unanimously by show of hands.

13. CONSIDERATION AND ACTION: APPROVE THE APPOINTMENT OF AG ADVISORY COMMITTEE FOR 2022 AND 2023

A motion was made by Douglas Miller II; seconded by Eric Couch; to approve the appointment of Craig Elbel, Jerry Voges and Keith Weidner to the Ag Advisory Board for 2022 and 2023. Motion passed unanimously by show of hands.

14. CONSIDERATION AND ACTION: APPROVE THE ADDITION OF ALL CURRENT AND FUTURE MEETING DATES, TIMES AND PLACES, ALL AGENDAS AND MEETING MINUTES TO THE WEBSITE.

Mr. Couch voiced a concern that after a meeting with Mr. Lozano in March of 2021, that the meeting information had not been added and that when he called in December of 2021 to find out the meeting information for December, he was told by the receptionist that she didn't know. He stressed that the information should be available for the taxpayers and in his opinion, it is an Open Meetings Act violation.

The Board would like all meeting information posted on the website 7 days prior to the meeting date.

A motion was made by Eric Couch; seconded by Kristen Hoyt; to approve the addition of all current and future meeting dates, times and places, all agendas and meeting minutes to the website seven days prior to the meeting time as presented. Motion passed unanimously by show of hands.

15. CONSIDERATION AND POSSIBLE ACTION: EXTEND THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT FOR 2021

The Board decided to take no action on this item and not extend since no other state agency is doing this.

A motion was made by Nancy Pappas; seconded by Douglas Miller II; to take no action to extend the Families First Coronavirus Response Act for 2022. Motion passed unanimously by show of hands.

16. CLOSED EXECUTIVE SESSION: THE BOARD MAY RETIRE TO EXECUTIVE SESSION ANYTIME DURING THE MEETING AS AUTHORIZED IN CHAPTER 551 OF THE TEXAS GOVERNMENT CODE

The Board did not retire into executive session.

17. IF NECESSARY, DISCUSS AND TAKE ACTION ON ANY AND ALL MATTERS DISCUSSED IN EXECUTIVE SESSION

No action taken, since there was no executive session.

18. FINANCIAL REPORT

Mr. Dow reviewed the report. The following items were over:

8201 – Postage	Due to 2020 Protests handled in 2021 requiring certified mail
8602 – Legal Services	Currently \$21,000 over but have not received the December bill from the Attorney. Mr. Dow stated that we received a bill for \$73,000 for an expert witness which is accounted for in the presented amount.
8613 – Laser Processing	Mr. Dow stated this goes hand in hand with the postage account which is why it was over as well.
8614 – Wireless Com	This is our forms website and GPS monitoring for the vehicles exceeded slightly as well.
8901 – ARB Per Diem	This line item was double of the budgeted amount due to the 2020 Protest as stated above. We do not expect this to happen again.

Mr. Dow stated that the three line-items that would require a line-item transfer would be: Postage, Legal Services and ARB Per Diem. There is money leftover in the employee expenses which is the only line-item large enough to cover these overages and will most likely be from where we will be requesting the funds transfer to cover them.

Mr. Tyler asked about the TWC line item, Mr. Dow explained what their function was in regard to unemployment claims. Mr. Couch asked why the group healthcare and retirement were less than budgeted. Mr. Dow stated that it was mostly due to turnover and not being fully staffed. He added that there are also retirement salary reserves budgeted that are unused. Ms. Hoyt asked if there was more turnover and claims than expected? Mr. Dow deferred to Mr. Lozano who stated we lost 7 people in 2021. Mr. Dow added that that was a lot on 31 total staff.

Mr. Dow also reviewed the investment summary as required in the first quarter. Mr. Couch requested we ladder the investments.

19. CHIEF APPRAISER'S REPORT

a. Organizational Chart

Mr. Tyler expressed appreciation for the chart and that it was helpful to see the organization better. Mr. Lozano stated that we want to be fully staffed as it makes everyone's job easier. He stated that Senior Appraiser Phil Day was in attendance and that he has really excelled in his Senior position. He added that we would be using the Senior Appraisers to train the new staff. At the board's request Mr. Lozano introduced all the staff in the room and told a little about what they do.

b. Discuss proposed 2022 Meeting Dates

Mr. Lozano reviewed the deadlines. Mr. Couch requested an addition meeting be added to discuss the previous Property Value Studies and if there are problems, how we are going to address them.

Ms. Hoyt stated she had a tax law firm that was interested in providing training for the board at no cost. It is a comprehensive training of tax code, board responsibilities and limitations with a Q & A session. The board agreed.

c. Eagleview Pictometry

Mr. Lozano reviewed his report.

d. Budget Workshop date

The board decided on April 5th as part of the regular meeting.

e. Next meeting date

February 9th at 5:30 p.m.

Mr. Lozano stated that we have 77 protests left and commended the ARB and Mr. Anderson for doing such a great job on this. He stated that last year going into January we had 8,300 protests. Ms.

Pappas asked for definitions on the types of protests and Mr. Lozano responded with:

41.411 – Did not receive proper notice

25.25(b) (c) (d) – c is clerical error is most common, d is 1/2 or 1/4 valuation error

Mr. Couch requested that due to a 600% in legal services since 2019, a report from our attorneys on all litigation against the district or filed by the district. He added we need to rectify the problems. He asked to also add the previous and current Property Value Studies to see where we stand on those and take action on that. The board agreed on adding the line-item transfer as well.

Mr. Tyler welcomed questions or additional explanations of new members at any time. He added that it helps everyone.

20. ADJOURN MEETING

A motion was made by Kristen Hoyt; seconded by Douglas Miller II; to approve to adjourn the meeting at 7:42 p.m. Motion passed unanimously by show of hands.

John Tyler, Chairman

Brad Howell, Secretary