

COMAL APPRAISAL DISTRICT

900 S. SEGUIN AVENUE
NEW BRAUNFELS, TX 78130
JEFFREY J. BOOKER, RPA
CHIEF APPRAISER

May 2, 2024 Meeting Board of Directors

The Board of Directors of the Comal Appraisal District met at the appraisal district office located at 900 S. Seguin Avenue, New Braunfels, Texas.

Board Members present were Eric Couch, Kristen Hoyt, James Long, Bob Slupik and John Tyler. Quorum was present.

Others Present were Jeffrey Booker, Tanner Jones, Pam Krause, Ryan Dow, Melissa Jordan, John Cox, Kurt Andersen-Vie, Matthew Tepper, Debbie Frazer, Hita Shah and Michelle Klecan.

Mr. Tyler called the meeting to order at 6:07 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."

The Pledge of Allegiance to the American and Texas flags were recited. Michelle Klecan led the prayer.

1 - CITIZENS COMMUNICATIONS

No one wished to speak.

2 - TAX CODE SECTION 6.15 COMMUNICATION

Mr. Tyler thanked Kurt Andersen-Vie, Jeffrey Booker and Kristen Hoyt for attending the property tax workshops and for keeping them going.

3 - DISCUSSION AND POSSIBLE ACTION: APPROVAL OF MINUTES FROM FEBRUARY 27, 2024

REGULAR MEETING

A motion was made by Eric Couch; seconded by Bob Slupik; to approve the minutes of the Regular Meeting of February 27, 2024 as presented. Motion passed unanimously by show of hands.

4 - PRESENTATION OF 2023 FINANCIAL AUDIT BY ARMSTRONG, VAUGHAN, & ASSOCIATES, P.C.

Ms. Fraser presented the results of the Financial Audit done for 2023 and explained that there are two different ways to handle processing the refund to the entities. The amount would not change, just the presentation of the refund. One is the Accounts Payable method and the other is the Refund method. Ultimately she recommended that we utilize the Refund method as it allows us to commit after year end and does not require us to do a prior period adjustment every year.

She also shared that the TCDRS balance is 99.5% funded. The district has been over 95% funded for the past four years but anything over 75% is considered good.

Debbie appreciated the cooperation of Jeffrey, Pam and Ryan and commented on how close the numbers were and how few adjustments they needed to make.

5 - DISCUSSION AND POSSIBLE ACTION: APPROVE 2023 FINANCIAL AUDIT

A motion was made by Eric Couch; seconded by Kristen Hoyt; to approve the 2023 Financial Audit with the amendment recommended of reverting back to the Refund method from the Account Payable method. Motion passed unanimously by show of hands.

6 - DISCUSSION AND POSSIBLE ACTION: APPROVE JOINT AGREEMENT FOR MAY 4, 2024 ELECTION WITH THE ELECTIONS OFFICE

A motion was made by Bob Slupik; seconded by Kristen Hoyt; to approve signing the Joint Agreement with the Elections Office for the May 4, 2024 general election. Motion passed unanimously by show of hands.

7 - DISCUSSION AND POSSIBLE ACTION: MOTION TO DIRECT CHIEF APPRAISER TO ENTER INTO UPDATED INTERLOCAL AGREEMENT WITH COMAL COUNTY FOR CYBERSECURITY TRAINING

Cybersecurity training used to be free. It now costs \$5 per person. The CAD will pay the County rather than the provider.

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A motion was made by Kristen Hoyt; seconded by James Long; to approve to direct the Chief Appraiser to enter into the updated interlocal agreement with Comal County for Cybersecurity training. Motion passed unanimously by show of hands.

8 - DISCUSSION AND POSSIBLE ACTION: APPROVE BY RESOLUTION THE 2025-2026 REAPPRAISAL PLAN

There was a concern expressed about not sending out renditions every year. Mr. Booker confirmed that renditions are sent to new businesses but after that it is the business owner's responsibility to submit them annually.

Mr. Booker shared that once we approve the Reappraisal Plan and send it to the Comptroller, that this task would correct the incomplete in the last MAP review and satisfy the requirement for that year.

A motion was made by Eric Couch; seconded by Bob Slupik; to approve the 2025-2026 Reappraisal Plan as presented. Motion passed unanimously by show of hands.

The Board recessed for a break at 6:42pm.

The Board reconvened from the break at 6:54pm.

9 - 2025 BUDGET WORKSHOP

Overall there is a 5.1% increase from the 2024 budget. The budgeted employee count for 2024 is 40.5 employees and is projected to be 40 employees for 2025. We are currently fully staffed at 39.5 employees but have one "as needed" position available. There are 115,403 parcels in the county. We are at just under 2,900 parcels per employee and the average cost per parcel is \$48.50 for 2024. We are estimating 119,000 parcels with an average of 2,970 accounts per employee at an average cost of \$49.51 for 2025.

Mr. Dow reviewed the 2025 Preliminary Budget Roll Up Comparison report which highlighted the increases and decreases that accounts for the 5.1% increase in the overall budget. He then spoke specifically about changes in the Contract Services category.

Mr. Dow reviewed the 2025 Preliminary Budget Assumptions with the following highlights:

7099 Employee Expenses – There was correction of 2025 to 2024 in the line "Up to 3% COLA to be considered by the board by the end of the 2024 (not 2025) year". This includes hiring another Customer Service Specialist. We are reinstating a smaller PTO Reserve based on recommendations from our auditor.

7400 Education – The Board of Directors is encouraging the CAD to provide soft skills training (software, conflict resolution, etc) opportunities for all employees

7800 Capital Expenses – This expense is down since the iPads were budgeted and purchased in 2024 and we have fewer new employees that we need to purchase computers for. We are moving some computer related, non-capital expenses to Office Supplies on the recommendation of the Auditor since phones are considered consumable rather capital. There was a question about accruing expenses for capital expenditures such as computer replacement or roof replacement. Mr. Dow explained that we replace a certain percentage of computers every year and not all at once. He also explained that we do have a committed capital improvement fund in the investment account.

8300 Copier – There is an increase to this line item due to the increased mailing out of evidence for all protests.

8600 Contract Services – Legal Services line item remained the same unless there is discussion by the Board to change this amount. Appraisal Service increase due to a future request to the Board to approve a contract with TREPP that will help us get CAP rate data, tenant data, leasing information and perform other data mining functions. It should help us improve the accuracy of our commercial appraisals. CAMA Systems increase to add \$16,250 to the budget for an E-Communications portal to satisfy changes in legislation to make e-communications more accessible to the public. Homestead Verification Services is a potential new expense for 2025. There are different avenues for performing audits on Homestead Exemptions but \$60,000 was the most affordable option out there.

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8900 Appraisal Review Board – Increase due to higher per diems for the ARB Chairman, ARB Board members and TLO to account for cost-of-living increases. We are budgeting only 90 days for protest season and are optimistic that budgeting a heavier case load and the no-show rate will allow us to finish the protest season within 90 days. TLO will come in two days a week outside of protest season to respond to taxpayers rather than one day a week.

10 - DISCUSSION AND POSSIBLE ACTION: APPROVE CONTRACT WITH ARMSTRONG, VAUGHAN, & ASSOCIATES, P.C. FOR THE 2024 AND 2025 AUDITS

A motion was made by Eric Couch; seconded by Bob Slupik; to approve/ the Audit Engagement Letter from Armstrong, Vaughan & Associates, P.C. for the 2024 and 2025 financial audits as presented. Motion passed unanimously by show of hands.

11 - CHIEF APPRAISER REPORT

- a. 2024 Notice of Appraised Values - All notices have been sent out and property owners have until May 15 to submit their protests.
 - 1. 2022 – We had just under 115,000 parcels and sent out 102,000 notices
 - 2. 2023 – We sent out 92,000 notices
 - 3. 2024 – We sent out 79,000 notices
- b. 2023/2024 Protest update
 - 1. 2023 – 351 protests pending (253 of those are timely filed “late” protests)
 - 2. 2024 – 5,252 protests filed so far (664 have been settled)
- c. 2024 Evidence update
 - 1. Evidence has been mass generated for 63,000+ residential properties. It is a work in progress and still needs to go through a quality control review.
- d. 2023/2024 Appraisal Roll Comparison
 - 1. Certified adjusted taxable value vs 2024 taxable value and the percentage change for each one.
- e. Elections update
 - 1.
- f. Next meeting – May 14, 2024

The Board scheduled a Budget Hearing date for May 21, 2024 at 12:00pm.

Estimated Taxes – discussion held about estimated taxes not showing on the appraisal district website. It used to be a requirement but it is no longer in the Tax Code so the appraisal district removed it from the website. Information was wrong because it was showing this year's values but last year's tax rates. Other appraisal districts still have estimated taxes on their website but appraisal districts do not calculate taxes. Exemptions Status Update – Since January 1st we have processed over 6,700 exemptions. Our goal is to process exemptions within 90 days. We currently only have 3 outside of 90 days. There are 1,268 exemptions that still need to be processed.

12 - DISCUSSION AND POSSIBLE ACTION: APPROVE DISTRIBUTION OF 2023 FUND BALANCE

Discussed holding back funds to pay for unexpected expenses for the May 4, 2024 election (\$10,000 - \$15,000), for a feasibility study (\$10,000-\$15,000) and \$150,000+ for a potential phase one renovation to the facility to accommodate a larger Board of Directors and to have more space for taxpayers to attend meetings. The three recommendations are:

- 1 - Hold back funds for potential improvement and if they are not needed, they can be refunded to the entities.
- 2 - Discuss having a feasibility study done. This discussion will be added to the May 14 meeting agenda.
- 3 - Work towards responsibly retaining funds for capital expenditures while also reducing the amount refunded to the entities going forward.

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A motion was made by Eric Couch; seconded by James Long; to approve distributing \$636,479.00 to taxing entities for the 2023 Fund Balance and placing \$200,000.00 into the capital improvement fund as presented.

13 - 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 retired into Executive Session with Mr. Tyler stating, "The Board of Directors on May 2, 2024, beginning at 8:42 p.m. convened in executive session in accordance with Chapter 551 of the Open Meetings Act."

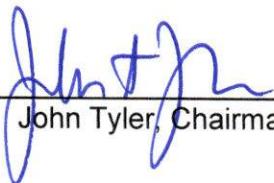
The Board ended its executive session at 9:45 p.m. on May 2, 2024 and immediately reconvened into a Regular Session.

14 - DISCUSSION AND POSSIBLE ACTION ON ANY AND ALL MATTERS DISCUSSED IN EXECUTIVE SESSION

No action was taken

15 - ADJOURN MEETING

A motion was made by Bob Slupik; seconded by James Long; to approve to adjourn the meeting at 9:45 p.m. Motion passed unanimously by show of hands.



John Tyler, Chairman



Robert Slupik, Secretary