

THE STATE OF TEXAS§

THE COUNTY OF MILAM§

MILAM APPRAISAL DISTRICT

The Milam Appraisal District Board of Directors (BOD) convened in a regular meeting Thursday, May 21, 2015, at the Milam Appraisal District Office, 120 North Houston Street, Cameron, Texas.

Attending:

Board Members:

Tim Arledge  
Don Culp  
Lisa Gerthe  
Larry Patterson  
Travis Yoakum

Staff:

Dyann White, Chief Appraiser  
Miranda Drake, Business Manager

Others:

Kent Bowerman – Rockdale ISD Board Member  
Denise Monzingo – Rockdale ISD Superintendent

Absent Board Members:

Kolette Morgan

Item 1. Call To Order

Having a voting quorum present, the meeting was called to order by Board Chair, Tim Arledge at 8:30 a.m. Invocation by Mr. Patterson, moment of silence, pledge of allegiance to U.S. Flag, and pledge of allegiance to the Texas Flag.

Item 2. Citizen's Communication –

None.

Item 3. New Board Member –

- a. Mrs. Lisa Gerthe signed a Statement of Elected/Appointed Officers.
- b. Business Manager, Miranda Drake, swore in Mrs. Lisa Gerthe as a new board member as she took the Oath of Office.

Item 4. Consent Items –

All items listed under this section, Consent Items, are considered to be routine by the Board and may be enacted by one motion. If discussion is desired by the Board, any item may be removed from the Consent Items at the request of any Board Member and will be considered separately.

- a. Approve minutes of April 16, 2015 regular meeting
- b. Approve minutes of April 22, 2015 special meeting (Budget Workshop)
- c. Approve April Budget Report

Motion by Mr. Patterson to approve consent items as presented, seconded by Mrs. Gerthe, approved by unanimous vote.

Item 5. Consider New Business –

- a. Discuss the 2016 Proposed Budget and set the date, time and place for the public hearing.

Chief Appraiser briefly reviewed the budget as there were only a few changes from the last presentation at their May 21<sup>st</sup> regular meeting. We had more expense in our appraisal notices so we moved funds from Capital Outlay to cover this additional expense. 2016 will be the third year we are operating in the same level budget since 2014. We are on target to reduce staff by one staff member in 2017. We are always looking for ways to lean up the budget. We have been able to add other much needed services without having to increase the budget.

Motion by Mr. Patterson to set the date, time & place of the budget public hearing for June 18, 2015 at 8:30 a.m. at 120 N. Houston, Cameron, Texas, Mr. Yoakum seconded, approved by unanimous vote.

- b. Discussion and possible action to review and accept an agreement for electric utility services.

Business Manager, Miranda Drake, reviewed electric utility service proposals with a recommendation to accept the 18-month agreement with Source Power & Gas. This is a much lower rate with an estimated annual savings of \$3,145. In addition, the contract will end in the spring of 2017 which puts us in a timeframe when rates tend to be lower.

We are also working to be more energy efficient by keeping lights off in rooms that are not being used and turning all computers and equipment off at night.

Motion by Mr. Patterson to approve the selection of Source Power & Gas for an 18-month agreement, seconded by Mr. Yoakum, approved by unanimous vote.

- c. Discussion and possible action to review and accept agreement for legal services with Everston & Sanchez, PC for the Milam County Appraisal Review Board legal counsel.

Chief Appraiser reviewed item as presented.

Motion by Mr. Patterson to accept the agreement as presented, Mrs. Gerthe seconded, approved by unanimous vote.

Item 6. Chief Appraiser's Report –

- a. 2015 Reappraisal Plan Report #9

Chief Appraiser reviewed item as presented. All of our notices have been generated and mailed out. We have done all commercial and industrial properties as of May 1<sup>st</sup>. Everything has been noticed. So far we have had just over 700 that have come in to talk with an appraiser or office staff. We have been able to resolve 600 of those and that doesn't always mean a reduction in value. Sometimes all they do is explain the value or talk about their exemptions and they are happy. 116 of those are still pending, meaning they are probably going to go to a hearing. Chief Appraiser provided examples of some of these cases. We have had 236 formal protest. 195 of those are active and 41 had been closed.

We did provide the 2015 Certified Preliminary Values to the taxing entities and to the media. We did receive information from Luminant about their opinion of value. We have discussed with Milam County and Rockdale ISD that there could be up to a \$340M loss. Now, we hope that is no where near the truth and the final picture. It's really too early to know what the final values are going to be. Based on prior years experience, we should prepare for the possibility of litigation. And that is a very high possibility. The Chief Appraiser will be meeting with our attorney, Sandy Griffin, to discuss strategy and funding. Our budget contains \$7,500 (I believe) for litigation so that's not a drop in the bucket for what we're looking at. We are entering the negotiation phase with Luminant.

Mr. Arledge asked if Luminant is doing the same thing in other counties. Chief Appraiser explained that they are. She has made contact with the Chief Appraiser in Titus County and they are looking at a potential loss of \$400M. Chief Appraiser explained that there is no provision for a class action lawsuit. Chief Appraiser has invited Dave Poplar with Capitol Appraisal to attend the next board meeting on June 18<sup>th</sup> to discuss his appraisal. He is going to give all the information on how he came to his value. Last year's value was an agreed value, not an appraised value due to the bankruptcy proceedings that were ongoing at that time. The bankruptcy is no longer an issue.

There were discussions on whether or not all the entities would have to pay for the litigation or just the entities that are affected. The Chief Appraiser has posed this question to the District's attorney.

Chief Appraiser reviewed the board calendar as presented on the agenda. The July meeting is proposed to be cancelled unless something comes up with Luminant that would require a meeting.

b. Litigation report – None

c. Board Calendar Review –

Chief Appraiser reviewed upcoming meeting items as shown below.

June meeting –

i. Budget Public Hearing & Adoption

July meeting – *Propose cancelling*


NOTE: Written reports of any above listed items provided to all BOD members are considered part of the BOD's minutes as reports.

Item 11. Adjournment

Having no further business to consider, on a motion by Mr. Patterson and seconded by Mr. Yoakum, approved by unanimous vote, the meeting adjourned at 8:53 a.m.

NOTE: Recording of the foregoing meeting on file for 90 days in the Milam Appraisal District Office, 120 North Houston Street, Cameron, Texas. The above and foregoing minutes examined and approved in open meeting this the 18<sup>st</sup> day of June, 2015.

Attest

  
\_\_\_\_\_  
(Member)

  
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Chair of the Board