

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, December 17, 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:

Leroy Phillips – City of Rockdale

Absent Board Members:

Tax Assessor/Collector

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. Adjourn to a Closed Meeting and Executive Session pursuant to Texas Government Code Section 551.071 of the Texas Open Meeting Act to discuss pending litigation or a matter in which the duty of the attorney of the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar clearly conflict with the Open Meetings Act, specifically related to consultation with attorneys, receiving information and asking questions from legal counsel regarding the Luminant lawsuit and bankruptcy proceedings.

Board declined to go into Executive Session, no update from attorneys

Item 4. Return to Open Session to discuss and possibly take action on items discussed in 551.071 Executive Session.

Board declined to go into Executive Session, no update from attorneys

Item 5. 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 November 19, 2015 regular meeting

b. Approve November Budget Report

Mr. Patterson made a motion to approve consent items as presented, Mrs. Gerthe seconded the motion, vote was unanimous.

Item 6. Consider New Business –

a. Discussion and possible action to approve the 2015 Proposed Budget Amendment.

The Chief Appraiser stated that we first brought this to the Board in November then followed up by sending the budget amendment to the entities. The Board may now take action on this budget amendment. This is to appropriate funds to add wireless internet to the building to upload the iPads used for appraisals. Also to purchase two (2) PC replacements. This is necessary because two of our PC's do not have the requirements to run our new mapping system. There is \$0 change in the budget's bottom line. This is only to transfer funds between categories.

Motion by Mrs. Gerthe to approve the 2015 Proposed Budget Amendment, seconded by Mr. Patterson, vote was unanimous.

b. Discussion and possible action to approve the Flexible Benefits Plan (Cafeteria Plan) and Summary Plan Description (SPD).

The Chief Appraiser explained that we had some interest from employees to look into a supplemental insurance program (such as AFLAC) where the employee can purchase different policies to suit their needs. This is strictly at the employee's expense only. There is no cost to the District.

AFLAC came and met with us. AFLAC showed some examples of how the cost of the insurance would actually be less for the employees if it were pretaxed. These are a couple of very complicated documents that are required by the IRS to set up a Cafeteria Plan to allow the insurances to be pre-taxed.

Motion by Mr. Yoakum to approve the Flexible Benefits Plan (Cafeteria Plan) and the Summary Plan Description (SPD), seconded by Mr. Patterson, approved by unanimous vote.

c. Discussion and possible action to approve a resolution to adopt the Investment Policy for the Milam Appraisal District for 2016 and approve a resolution authorizing the Milam Appraisal District's Investment Officer to engage in financial transactions on behalf of the District for 2016.

The Chief Appraiser explained that the law requires an investment entity to review its policies and strategies annually. Our strategy is to focus on liquidity vs. gains. We hold our money in a way that we can get to it if it is needed. We have a Certificate of Deposit (CD) that renews each quarter (91 days).

In addition, the law requires the Board to appoint the Investment Officer annually.

Motion by Mr. Patterson to approve a resolution to adopt the Investment Policy for 2016, seconded by Mrs. Gerthe, approved by unanimous vote.

Motion by Mr. Patterson to approve a resolution to authorize the District's Investment Officer to engage in financial transactions on behalf of the District for 2016, seconded by Mrs. Gerthe, approved by unanimous vote.

d. Discussion and possible action to review and revise the Chief Appraiser's job description and work plan in preparation for the evaluation in January.

The Chief Appraiser stated that she reviewed the job description and she doesn't have any proposed changes to this document. The Work Plan January 1 thru December 31, 2015, this

is the document the Board will use to review her for 2015. In addition, there is a new work plan for 2016. It is basically the same. In 2016 we will be required to come up with a new reappraisal plan so she has added that. And also, she has updated the competency objectives and tried to gear those toward what we will be doing in 2016. If the Board has any changes, please let her know. There was some discussion regarding the employees evaluating the Chief Appraiser. The Chief Appraiser also pointed out that the grievance policy now provides an outlet for an employee to go directly to Board if there is an issue with the Chief Appraiser. There was some discussion regarding the new policy.

The Board requested that the staff submit evaluations for the Chief Appraiser for the Board to review.

- e. Discussion and possible action to impose 5 percent penalty and an annual interest rate of 10 percent for non-payment by City of Milano.

There was some discussion.

Mrs. Gerthe requested we send the bill by certified mail and then bring back to the Board in January.

- f. Discussion and possible action to approve changes to the Personnel Policy and Procedures Manual.

The Chief Appraiser explained that we found some things that needed to be tweaked. We went over the policy with the employees and they brought up some good questions.

The first item is on the Catastrophic Sick Leave Pool. The original amounts were based on the premise that we would increase the accrual levels. Because we did not increase the leave accruals, we need to reduce the limits, otherwise we won't have anyone eligible to use it. Also, we want to include donation of vacation as well as sick leave. We are also requesting to remove the regimented enrollment period. Because we are a smaller entity, an enrollment period would not be necessary. Additionally, we are requesting to change the maximum use from 1/3 to 1/2 because we are such a small entity. And finally, we have added a section regarding if an employee were to be incapacitated, the District would work with their family to file the appropriate paperwork for use of the Catastrophic Leave Pool.

A few other items for clean-up: 1) add statement on page 34, "Sick leave hours accrue during the introductory period."; 2) change 6 months of continuous employment to completion of the initial introductory period in regards to vacation.; 3) and finally, the Chief Appraiser would like the Board to make a decision on the funeral leave. The current policy is for three days for the calendar year. The employees brought up that other entities such as the County and City of Rockdale pay bereavement pay per occurrence. There was some discussion. The Board decided to pay the funeral leave per occurrence. We also updated the immediate family definition under funeral leave to be consistent with the immediate family chart in the property tax code for conflict of interest.

Motion by Mr. Patterson to approve changes to the Personnel Policy and Procedures Manual, seconded by Mrs. Gerthe, approved by unanimous vote.

Item 7. Chief Appraiser's report

- a. Provide election results for 2016-2017 Board of Directors
Chief Appraiser explained the process. The current Board was reappointed. Likely the interim Tax Assessor Collector, Lydia Cervantez, will possibly attend some meetings.
- b. Discuss Buckholts ISD boundary
The Chief Appraiser explained that Texas Education Agency (TEA) and Texas Legislative Council (TLC) sent us some maps and indicated that we had the Buckholts ISD boundary wrong. We had it going to what use to be the Little River and TEA has the boundary stopping to the new Little River. She didn't get a lot of feedback from either ISD so we moved the

boundary. We sent out letters to the property owners involved. There are 20 property owners for a total of 54 properties. It's all Ag land. There are only two homes in this whole area. It equates to about \$11,000 in levy for Buckholts ISD. They don't care about the \$'s, it's the principle of the matter. They really believe that's their property, their jurisdiction.

This is where we are with it...because Buckholts ISD is now challenging it and they have provided documents that does show that the old school district boundary went down to the south Little River, I do agree that they are more than likely entitled to tax that area. They have provided me some maps from the 1960s that show the Little River being more to the south, however I have some maps from the 1960s that show it more to the north. I will meet with Rockdale ISD to see how they feel about the situation. If the two school districts can do a joint resolution declaring the boundary, we think that would satisfy the TEA and they would go with what we have. This would be the simplest resolution.

If they don't agree, Buckholts ISD would need to petition TEA with why they think their boundary is to the south and they have some convincing evidence. TEA would then contact Rockdale ISD. If Rockdale ISD contests it, then TEA gets to pick where the boundary goes.

c. Receive 2016 reappraisal plan report

The field work is going on. The smaller school districts are completely finished with all their field work. We are focusing our efforts in Milano ISD. We are about 40% complete in Milano. Then we would still have ground efforts in Gause ISD and Thorndale ISD. We are still on schedule to finish up timely for our notices.

d. Litigation report

The Chief Appraiser had a phone conversation with Wayne Fisher and Bernard Johnson yesterday. You have all been given a copy of the interrogatories and the request for production that have been filed. Our attorneys are asking for a lot of information. This is all the information that is needed to do an accurate appraisal. A lot of this information is information we have asked for and never received.

This could possibly set back our court date. We are currently scheduled for February 22nd. If EFH/Luminant responds that they will not provide the information, then Judge Youngblood would have to force them to provide this information. There was some discussion.

e. Board calendar review

Discussed upcoming calendar as described in the agenda item.

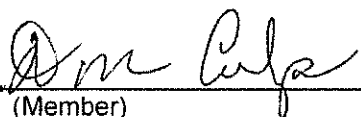
NOTE: Written reports of any above listed items provided to all BOD members are considered part of the BOD's minutes as reports.

Item 8 Adjournment

Having no further business to consider, on a motion by Mrs. Gerthe and seconded by Mr. Yoakum, approved by unanimous vote, the meeting adjourned at 9:31 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 21th day of January, 2016.

Attest:



(Member)



Chair of the Board