



*Nueces County Appraisal District
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**MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
NUECES COUNTY APPRAISAL DISTRICT**

The Board of Directors held a Special Meeting at 9:00 am on Wednesday August 16, 2023.

INVOCATION

Irene Lugo led the invocation.

PLEDGE OF ALLEGIANCE

Mr. Garcia led the Pledge of Allegiance.

ROLL CALL OF THE BOARD OF DIRECTORS

DIRECTORS:

Jerry Garcia, Chairman	<u>Present</u>
Luis Elizondo, Vice Chairman	<u>Present</u>
Leo Gonzalez, Secretary	<u>Present</u>
Deven Bhakta	<u>Absent</u>
Armando Chapa	<u>Present</u>
Caitlin Chupe	<u>Present</u>
Gabriele Hilpold	<u>Absent</u>
Butch Pool	<u>Present</u>
Kevin Kieschnick, Ex Officio	<u>Absent</u>

NON-DIRECTORS:

Ramiro Canales, Chief Appraiser	<u>Present</u>
Leticia Roberts, Asst. Chief Appraiser	<u>Present</u>
Melissa Vela, Attorney	<u>Present</u>
Terri Noack, TLO	<u>Absent</u>

CALL TO ORDER & DETERMINATION OF A QUORUM

The meeting of the Board of Directors of the Nueces County Appraisal District was dully called to order. A quorum was present, with notice properly posted in accordance with Texas Open Meetings Act, Texas Government Code 551 and that any conflict-of-interest affidavits have been received and placed on file as required by law.

PUBLIC COMMENT

No public comments.

DISCUSSION AND/OR ACTION, CONSENT AGENDA

- a) Approval of the July 12, 2023, Budget Public Hearing Minutes
- b) Approval of the July 12, 2023, Regular Meeting Minutes
- c) Approval of July 2023 Disbursements
- d) Receipt of August 2023 Litigation Report

Mr. Elizondo motioned to approve the consent agenda, and Mr. Chapa seconded. Motion passed.

TAXPAYER LIAISON OFFICER'S REPORT

Ms. Noack's was absent, but the TLO report was included in the Board packet sent to members.

DISCUSSION AND/OR ACTION OF THE 2024 BUDGET

Mr. Sissamis stated that staff were directed at the Board's July meeting to present the Board with a 2024 proposed budget that is equal to the 2023 approved budget. Mr. Sissamis informed the Board that the Chief Appraiser still feels strongly that the employee cost of living adjustments (COLA) should remain in the budget in light of current inflation and concerns over the District's ability to compete for labor. Mr. Sissamis then presented via projection equipment various budget scenarios for the Board's consideration: (a) most recent version with 4% COLA resulting in a 2.25% increase from the 2023 budget (b) a 3% COLA and .61% increase, (c) a 2% COLA and 0% increase, and (d) to-be-determined scenario with real time updates as board meeting discussion unfolded.

Mr. Sissamis informed the board that the Texas Legislature passed SB2 which will, if approved by voters in November, mandate three new publicly elected board members to be elected by the public starting with a May 2024 election. Since the District has no past experience with the cost of public elections, staff worked with the County Elections Office to estimate the costs and placed \$575,000 in the 2024 budget for the estimated cost of the election and possible run-off election. After some discussion and an evenly divided consensus among Board members on passing the budget, the Board decided on a budget that includes the election costs and temporarily removes the employee cost of living adjustments to be revisited after more is known about what the actual election and possible run-off costs will be. The Board concurred and Mr. Sissamis made the adjustment to come to a total 2024 budget of \$10,103,686. Motion was made by Mr. Pool to adopt the budget in this manner and Ms. Chupe seconded. Motion passed.



DISCUSSION AND/OR ACTION OF THE 2ND QUARTER 2023 INVESTMENT REPORT

Mr. Sissamis reported that the yield that was achieved was 4.56% versus the portfolio's benchmark of 5.07%. He also stated the fed target rate as of July 26, 2023, is a 5.25% - 5.5%. The inflation increase is .2% in June and 3.0% in July.

DISCUSSION OF LITIGATION FUND ACCOUNTING STATUS AND CONSIDER APPROVAL OF CHANGES TO THE LITIGATION FUND PROTOCOLS

Mr. Sissamis stated that the original protocols were adopted by the Board in 2019. Staff was recently directed to incorporate spending authorization limits. The protocols included in the Board packets include that revision along with updates to remove protocols related to an outside law firm involved in District procuring of services. Motion to approve the updated protocols was made by Mr. Chapa and Mr. Elizondo seconded. Motion passed.

DISCUSSION AND/OR ACTION OF AMENDED SERVICES AGREEMENT WITH DOWNSTREAM ADVISORS, INC.

Ms. Vela stated that this item is for the purpose of obtaining an updated service agreement between Downstream Advisors and the District to replace the previous one between Downstream and the Brena law firm. Any engagements for specific projects will be outlined in individual work scopes. Ms. Vela requested that the Board Chair sign this agreement. Mr. Pool asked if the District pays another company to perform refinery appraisals. Mr. Canales explained that TY Pickett normally handles refinery appraisals along with minerals, pipelines and other types of properties. Mr. Canales also stated that the TY Pickett contract is planned to be amended since they have verbally agreed to forego the contractual price increase for 2024. Motion was made by Mr. Elizondo to approve the updated agreement and Mr. Pool seconded. Motion passed.

DISCUSSION AND/OR ACTION OF DOWNSTREAM ADVISORS, INC. – SCOPE 5

Ms. Vela stated that Scope 5 becomes part of the Downstream Advisors service agreement and that it incorporates work from prior Work Scopes that were attached to previous agreement with the Brena law firm. If any work needs to be paid from another Scope, such will be covered under this Scope. A \$100,000 authorization limit will be placed on spending under this Scope and any spending beyond that amount would need board approval. Mr. Chapa motioned to approve and Mr. Gonzalez seconded the motion. Motion passed.



EXECUTIVE SESSION: Mr. Garcia read a public notice statement that the Board of Directors may elect to go into Executive Session anytime during the meeting to discuss matters listed anywhere on the agenda, when authorized by the Open Meetings Act, Chapter 551 of the Texas Government Code. Should the Board of Directors elect to go into Executive Session, the section or sections of the Open Meetings Act authorizing the Executive Session will be publicly announced by the presiding officer. Upon completion of Executive Session, the Board of Directors may take such action as appropriate in open session.

The Board of Directors went into executive session at 10:07 am.

The Board of Directors went into open session at 10:35 am.

DISCUSSION AND/OR ACTION RELATIVE TO ITEMS DISCUSSED IN EXECUTIVE SESSION

No action taken.

CHIEF APPRAISER'S REPORT

The Appraisal Review Board completed its work on the roll and all entities received their certified rolls. The annual Ad Valorem conference will be held in San Antonio. Legal staff and Coordinators will attend it. Mr. Canales and Mangers will be going to the IAAO Conference that will be held in Salt Lake City, Utah.

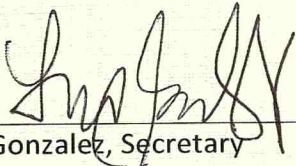
SUGGESTED ITEMS FOR NEXT REGULAR MEETING

No suggested items to discuss.

ADJOURNMENT

A motion was made by Mr. Elizondo and seconded by Mr. Gonzalez to adjourn. Meeting adjourned at 10:40am.

SIGNED:



Leo Gonzalez, Secretary

