

# Williamson Central Appraisal District

## Board of Directors Meeting

### Minutes of February 27, 2014

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Harry Gibbs, chairman, called the regular meeting of the Williamson Central Appraisal District Board of Directors to order Thursday, February 27, 2014 at 9:02 a.m. Board members present: Harry Gibbs, Deborah Hunt, Cecilia Crowley and Rufus Honeycutt. Quorum declared. Charles Chadwell was not present.

#### Receipt of Public Comments

No public comments.

Consider approval of minutes of the Board of Directors for the regular meeting – January 8, 2014.

Hunt moved for approval of the minutes as presented. Honeycutt seconded. The motion carried unanimously.

#### Consideration of Monthly Financials and Quarterly Investment Report

November and December 2013, along with January 2014 financials and expenditures were reviewed and filed for audit. Lankford explained that line items are adjusted during the month of December. He reviewed these adjustments.

Lankford indicated that he had not made adjustments to the ARB budget line items since he felt the Board would make these decisions. The Board expressed their intent that adjustments be made between the ARB budget items in order to equalize them; Lankford will make these adjustments. The expenditures were reviewed.

The Quarterly Investment Report was also reviewed and filed.

#### Ag Advisory Committee

An updated listing of potential Ag Advisory Board members was distributed to the Board members. Aaron Moore, the District's Ag and Land Manager, was present to report that Ronnie Pitts, the previous chairman of this committee, would be leaving the committee and Billie Carlson would be added for 2015. Pitts only agreed to serve in 2014. Moore reported that the chair duties would most likely be passed along to James Davidson. He also indicated that this Committee generally meets two to three times per year. They assist the Comptroller by taking surveys regarding agricultural values.

No action was taken by the Board.

## Appraisal Review Board Payment Policy

Lankford displayed and read aloud the ARB compensation statement contained within the Board Policy manual. The statement currently reads: "Appraisal Review Board members shall receive a per diem as provided by the annual appraisal district budget". Lankford mentioned that the Board had discussed this item at their last meeting asking that this issue be placed on a future agenda in order to update the policy. He reminded the Board that, by law, after ARB members cease to serve for one year they can serve again. The question was whether or not the Board would give these prior members compensation credit for their prior years of service.

Lankford reviewed the ARB budgeted numbers. He also informed the Board that the District has had difficulty obtaining a thirteenth ARB member and reminded them that, according to the new law, the administrative law judge has appointed this year's ARB. Two of the members that were appointed were unable to serve and there is one position left to be filled. Lankford expressed his appreciation to Charley Rouse, the District's Taxpayer Liaison Officer, for his efforts in coordinating these appointments.

Lankford reminded the Board that this final member could possibly be one that has prior experience and indicated that the District has a potential of having at least two members this season that could be considered for prior year service. A policy will need to be drafted for this circumstance. Lankford mentioned the rapidly changing environment at the District which the Board might recognize when considering the level of pay. Hunt felt that years of experience here at the Williamson Central Appraisal District should be noted and given credit; however the Board discussed the possibility of placing a limit on the number of years the individual could be absent. The Board expressed that no credit would be given for members coming from another appraisal district.

The Board members decided to table this item until it can be reviewed along with the entire Board Policy in the March or April timeframe. They asked that, in the interim, these members continue to be paid as they are now and, if necessary, a retroactive pay increase be applied.

## Cyber Attack Disbursement of Claim Funds

Lankford reminded Board members of the cyber attack incident that had occurred previously. A claim was filed regarding this incident with TML, the District's insurance carrier. TML awarded the District claim funds in the amount of \$21,692 and plan to use the District's data as an example for handling these types of claims in the future.

Lankford reported that most of the expenses for this claim were from the District's I.T. department and felt the funds received should be used towards securing the ability to prevent this type of attack from reoccurring.

Crowley indicated that the monies should be placed in the revenue of insurance account and then be expensed to the appropriate categories. The Board mentioned looking into finding a private service to analyze and investigate the incident. They also discussed asking the security officer, who is hired during appeals season, to look into this issue further.

Crowley made a motion to place \$21,692 into revenue insurance recovery and spend \$21,692 for the following allotted categories.

- \$13,000 to account #6150 – Minor Equipment / Furniture. This would be used for an additional disk-based backup system, duplication appliances and to provide faster network-based restores of current and historic data.
- \$6,000 to account #6260 – Professional Services. In order to hire an outside vendor to perform a network security audit to secure the District's network to prevent future attacks.
- \$2,692 to account #6300 – Computer Licenses. This would provide the District with a higher-grade malware and virus protection software.

Honeycutt seconded. The motion carried unanimously.

## Chief Appraiser's Report

### MAP Review Results

Lankford informed the Board that the MAP Review results had been received. He indicated that the Comptroller's office conducts a MAP (Methods and Assistance) Review audit in every odd numbered year and in even numbered years the Property Value Study is conducted by the Comptroller. Lankford indicated how proud he was, as usual; of staff for the excellent job they had done gathering information for this year's review. He announced that the District had received a passing grade on all mandatory requirements and a score of exceeds in appraisal district activities. Lankford reviewed the scores received. He reported that the MAP Review could be found, in its full version, on the Comptroller's website.

### WCAD Initiatives

Lankford informed the Board that the District had posted multiple new homestead videos on its website. These have been broken up into three videos; the online filing process, how to file a homestead and general information regarding homesteads. He mentioned that prior videos are being reviewed in order to update them to the current procedures and law.

Lankford commented on the District's website, indicating that it has, once again, been paid compliments by other large districts. He indicated that the website is about four years old and that a new more user-friendly format is being considered.

### Protest Comparison Graph

Lankford displayed the protest comparison graph that Glenda Lloyd, the District's Entry/ARB Operations Manager had assisted in putting together. Lankford explained the graph to be a view of what has transpired on protests through the past few years. He pointed out that, according to these statistics, prior to the recession, the District experienced more property owner than tax agent protests. Lankford indicated that appraisal districts across the state have experienced issues with property tax agents who protest every property they represent, no matter what value is listed on the property. There is currently no penalty to protest all of these properties, which has caused additional work for appraisal districts. Lankford mentioned the potential of discussing this issue with Texas legislators.

## Obligated Reserve Attorney General Ruling

Lankford discussed an Attorney General ruling regarding the authority of an appraisal district to place excess funds in a capital improvement fund or to spend excess funds on a one-time, lump-sum payment to its employees. He informed the Board that the District is already following this ruling regarding the use of reserve monies for future expenditures. Lankford reminded Board members that the District has been refunding any unobligated funds back to the taxing units.

Lankford explained the process, indicating that at the District, the reserve fund amounts are placed in the proposed budget which is sent out to the taxing units. The taxing units then have the opportunity to veto the budget. These funds are also discussed during annual meetings with each taxing unit regarding their budget.

## WCAD Annual Report

Lankford informed the Board that the WCAD Annual Report was recently sent out to each taxing unit in the District. This report, which was part of the CEAA requirement through IAAO, will also be presented during the Budget overview meetings with each entity. Lankford thanked Dave Matheny, the District's Director of Operations, Lynn Powell, the Administrative Services Director, and others for their work on this report. He indicated that Homer Brooks, a senior appraiser at the District, was the primary staff member who worked on this project. Brooks did an outstanding job. This report, which Lankford highlighted, is also located on the District's website.

Crowley suggested a revision to the budget numbers to indicate actual instead of budgeted. Lankford thanked Crowley for her suggestion.

## WCAD Presentations

Lankford mentioned that he had moderated a panel during the TAAD Conference. Gibbs and Keith Hughey also participated on this panel. The session dealt with how to hire, evaluate and retain a Chief Appraiser. Lankford thanked Gibbs for his participation.

## 2014 TAAD Conference

Lankford inquired with Board members of any general comments they might like to share regarding the TAAD Conference. Honeycutt mentioned his appreciation for the update at the Conference regarding the legislature and the changes that will go into effect. Hunt mentioned this to be the highest attended Conference TAAD had experienced.

Lankford informed the Board that Colleen McElroy, the District's Administrative Assistant, along with several others were in attendance at the Board sessions and had noted potential changes to the Board Policy. These changes will be discussed at the next Board Meeting. Lankford asked Board members to notify McElroy if they had any notes to pass along.

## Arbitration Report

Lankford reviewed the Arbitration report. He mentioned one revision to the report regarding the Pete A. Rodriguez account. The report indicates the arbitration award to be \$169,426, when in actuality it was \$310,000.

## Lawsuit Report

Lankford reviewed the Lawsuit report and mentioned his high level of confidence in the District's values; indicating this to speak to the work the lawsuit team has put forth.

## Board Agenda Additions for Future Meeting

Honeycutt mentioned a San Antonio article that was communicated at the TAAD Conference. This article was similar to what was previously seen in the Austin American Statesman. He inquired how to promote this information. One of the items suggested at a recent meeting was to attempt to meet with taxing units regarding the issue of sales disclosure. It was suggested that the position paper that was received could be forwarded to Board members. The Board asked that this item be placed on their next meeting agenda.

Lankford requested that Taxpayer Liaison Officer (TLO) pay consideration be added to the next Board agenda. He indicated that the District's TLO (Charley Rouse), due to recent law changes, has had an increase in job duties along with additional travel. Lankford mentioned the possibility of mileage reimbursement. He felt, and the Board agreed, that looking into this issue was warranted to explore for this year.

Rouse reiterated the importance of the appointment of the additional ARB member indicating that this individual would not be able to serve on the ARB until he or she was able to attend the required training. Lankford concurred regarding the impact of this last ARB member being extremely important. He added that by losing one ARB member, the District would lose one entire panel which could also impact funding due to not certifying the appraisal roll timely. This impact is also being expressed to the judge. Lankford indicated that the District would ask the judge to appoint an alternate, to avoid this situation in the future. Gibbs mentioned the possibility of budgeting for an alternate member that could step in as needed.

The Board Policy and the ARB Payment Policy will be added to the next Board agenda.


## Board Announcements

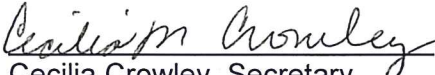
There were no Board announcements.

The next regular meeting was set for April 1, 2014 at 9:00 a.m.

The meeting adjourned at 10:34 a.m.

Respectfully,

  
~~Harry Gibbs, Chairman~~  
Charles Chadwell, acting Chairman

  
Cecilia Crowley, Secretary