

**KENDALL APPRAISAL DISTRICT
MINUTES OF BUDGET PUBLIC HEARING AND
REGULAR MEETING OF THE BOARD OF DIRECTORS
CONDUCTED ON SEPTEMBER 11TH, 2024**

PLACE: Kendall Appraisal District
118 Market Avenue
Boerne, Texas 78006

MINUTES

1. CALL TO ORDER: Meeting was called to order at 9:00am
2. RECITE PLEDGES OF ALLEGIANCE TO THE UNITED STATES AND THE STATE OF TEXAS.
3. ESTABLISH A QUORUM: Quorum was established by Chairperson Chris Godsey with a roll call of members. Six members were present including Rodney Edmonson, John Woolard, Joe Paolilli, Rex Sprunger, and Bud Paulson. Absent director was Jonathan Cluck. Kendall Appraisal District staff included Chief Appraiser Nelia McNeal, Tax Assessor/Collector Crystal Rivera, and recording clerk for the Board Katherine Nini, Administrative Assistant.
4. RECOGNITION OF VISITORS/ PUBLIC COMMENTS: Open Public Hearing at 9:03am

Chairperson Godsey and the Board of Directors recognized visitors Bob Gosschalk, Craig McDonald, Steve Erickson, Raul Rodriguez, and Melanie Thompson. Chairperson Godsey asked if anyone had public comments.

- Visitor Craig McDonald asked board for assistance in a better diversity in appointing ARB members including different genders, property owners throughout the community. Most ARB members are Veterans that are transplants. Chairperson stated that board is actively asking their constituents to consider volunteering on the ARB for Kendall.
- Visitor Raul Rodriguez commented on Esperanza residents being upset about MUD tax being imposed on residents, especially those on fixed income. Mr. Rodriguez trying to learn about how the district works. Discussion ensued. Chairperson Godsey explained that the developer instituted a MUD tax to recoup costs of development sending residents a separate Tax bill.
- Visitor Steve Erickson passed out paperwork to directors wanting to discuss his past experience as an employee. He has since retired. Director Sprunger stated that this would have to be discussed in a closed meeting session and assured Mr. Erickson that he would be heard. Moved to item 19.
- Visitor Bob Gosschalk from Esperanza discussed his concerns with water conservation in the area and the over development by outside companies and overabundance of well drilling which is leading to unsustainability in the community. Surface water and groundwater is not being taken seriously. Discussion ensued as to source of water and active voicing of concern by the public.
- Visitor Melanie Thompson introduced herself as both a resident and employee of the Appraisal District.
- Appraisal District's auditor, Keith Neffendorf, entered into the meeting for a later formal presentation of the 2023 Audit findings recently conducted by his firm.

5. APPROVAL OF BUDGET FINANCE COMMITTEE REPORTS FOR MAY 22ND AND 29TH, 2024:

MOTION: Motion was made by Director Sprunger to approve the May 22nd and 29th minutes of the Budget Finance Committee. Seconded by Director Sprunger. **Motion carried 6/0**

6. APPROVAL OF JULY 19TH, 2024, BOARD OF DIRECTORS MEETING MINUTES:

MOTION: Motion was made by Director Paolilli to approve the July 19th minutes as presented. Seconded by Director Edmondson. **Motion carried 6/0**

7. OPEN AND CONDUCT PUBLIC HEARING TO CONSIDER THE KENDALL APPRAISAL DISTRICT PROPOSED 2025 BUDGET: Continuation of Open Public Hearing at 9:31am for Proposed 2025 Budget

Chairperson Godsey reiterated review of proposed 2025 KAD Budget in July open public meeting with proposed edits. Chairperson Godsey asked for any comments to this budget. Small discussion ensued with a final 13.5% increase to budget with edits from the July meeting. Down from original 17% increase first proposed. Proposed 2025 Budget with edits was presented to all entities with no oppositions.

8. CLOSE OF PUBLIC HEARING TO CONSIDER THE KENDALL APPRAISAL DISTRICT PROPOSED 2025 BUDGET FOR POSSIBLE ACTION:

Chairperson Godsey closed the Public Hearing portion of the meeting at 9:34am.

9. START OF REGULAR MEETING: Moved into regular session at 9:35am

10. CONSIDERATION AND POSSIBLE ACTION TO AMEND THE KENDALL APPRAISAL DISTRICT'S PROPOSED 2025 BUDGET: No additional amendments proposed. Refer to line item 7.

11. CONSIDERATION AND POSSIBLE ACTION FOR APPROVAL OF THE KENDALL APPRAISAL DISTRICT PROPOSED 2025 APPRAISAL and COLLECTIONS BUDGET.

MOTION: Motion was made by Director Edmondson to accept the 2025 Budget. Seconded by Director Sprunger.
Motion carried 6/0

12. RECEIVE FINANCIAL AUDIT REPORT FROM DISTRICT'S AUDITOR FOR FISCAL YEAR 2023: CONSIDERATION AND POSSIBLE ACTION REGARDING REPORT:

Presentation of Fiscal Year Ending 2023 Audit of the Kendall Appraisal District was presented by Mr. Keith Neffendorf. Retirement system for KAD had a good operating year being 100% self-funded and is solid compared to other districts and counties. Financial statements reviewed and district was found in good financial state. Fund balances are adequate. Variance with final 2023 budget was in the positive. Overage to be possibly put towards much needed Office expansion due to growth in county and personnel needed. Recommendations include: monitoring of Pledge Collateral of bank during Tax Collection season per Federal regulations; PTO policy needs to be followed and complied with; Implementing Policies on maintaining the Employee Master file especially at time of separation; receipt documentation of checks by entities to be imaged and tied to deposits per governmental standard rules and accounting policies; Bank reconciliation needs to be completed on a timely basis to tie back to general ledger including CD balance reconciling on a monthly basis to keep current; Under committed for legal defense, this needs to be looked at closely and consideration of increase in funds due to the legal lawsuits from the unassigned line item to the fund balance section.

MOTION: Motion was made by Director Edmondson to accept the 2023 district's Auditor report. Seconded by Director Paulson.
Motion carried 6/0

13. FINANCIALS REPORT OF APPRAISAL AND COLLECTIONS BY CRYSTAL RIVERA:

District is at 61% in total expenses as of August 31st, 2024. District was assessed unexpected Unemployment charges. Explanation ensued. Question by Director Edmondson regarding line item 5775-Bank Service Charges of \$305.00 noted. Small discussion ensued and Board asked for explanation. Crystal stated that research is needed for explanation as this may be mis-categorized. Will report at next meeting. No action was taken.

14. PROPERTY TAX COLLECTIONS FOR THE TAXING UNITS BY CRYSTAL RIVERA:

Tax office is at 98.92% collected for FY 2023 for all entities collected for. No action was taken.

15. DISCUSSION AND POSSIBLE ACTION TO WAIVE PENALTY AND INTEREST ON DELINQUENT PAYMENTS PER TAX CODE 6.06 BY CRYSTAL RIVERA:

During this 3rd quarter, all entities paid timely. There are 4 entities that pay monthly. Boerne ISD was late in payment. Under the discretion of the Chief Appraiser, a 10-day grace period was given and due balance was paid via ACH. Boerne ISD was in the midst of closing their fiscal year in August, therefore payment was received in September. Penalty fee was averted due to grace period granted. No action was taken

MOTION: Motion was made by Director Sprunger to waive the \$445.97 penalty for Boerne ISD. Seconded by Director Edmondson.
Motion carried 6/0

16. DISCUSSION AND POSSIBLE APPROVAL ON MOVEMENT OF FUNDS WITHIN THE 2024 BUDGET FROM ONE LINE ITEM TO ANOTHER - *"May be discussed in Executive Session."*
Moved to line item 19.

17. CHIEF APPRAISER REPORT :

- Two new appraisers were hired and started on Monday, September 9th. Discussion ensued as to backgrounds and training scheduling in 2025 due to class limitations for the remainder of 2024. One will be trained in AG appraising. Both are promising.
- A new receptionist also started on Monday and is doing well.
- Still looking to fill one more appraiser position.
- Meeting with Boerne ISD Superintendent, Assistant, and Financial Officer was conducted between the Chief Appraiser, Deputy Chief Appraiser, and Director Cluck. Discussions went well and a line of communication was established moving forward.
- MAPS Audits are completed and complied with. Information has been sent to auditor. Director Godsey noted on record that this was the first time in years that MAPS audit has been completed within the same year and is a reflection of the Administrative Assistant's performance in her position and is appreciated.
- Property Value study has been submitted to the state auditor and findings will be finalized in December.
- AG Advisory Board met on Tuesday, September 10th with representative Woodrow, one Commissioner for Precinct 2, Andra Wisian, Director Edmondson, and Chief Appraiser here at the KAD's boardroom. Past difficulties in conducting meetings mandated by the state. This year looks promising with members. Next meeting to be in November and then Spring of 2025.
- Meeting with 'Lookout' group was also conducted. They provided the KAD with information regarding contacts and requested KAD conduct a comparison report with a spreadsheet they provided of 900 properties in Esperanza. Supplemental values are being processed for 2024. Discussion ensued regarding Reappraisal Plan implementation practices. This is a MAPS requirement. KAD is currently using a contractor to help with the workload. Board suggested providing authority to Chief Appraiser to pursue bids for outside contract for remote work to help KAD comply with mandatory Reappraisal Plan. This was tabled till 2025 to be put on agenda for action if needed after new hire training.

18. DISCUSSION REGARDING EXISTING LITIGATION, TO INCLUDE PROBABLE PRESENTATION IN EXECUTIVE SESSION BY KAD ATTORNEY:

Chairperson Godsey closed this portion of the meeting and moved into Executive Session at 10:40am.

19. THE BOARD MAY AT ITS DISCRETION ADJOURN TO EXECUTIVE SESSION TO DELIBERATE ANY MATTER AUTHORIZED BY TEXAS GOVERNMENT CODE SEC. 551.001 *et seq* [THE TEXAS OPEN MEETING ACT] INCLUDING:

SEC. 551.071; Receive information on pending and/or anticipated lawsuits. Consultation with attorney
SEC. 551.074; Personnel matters

20. DISCUSSION AND POSSIBLE ACTION ON INFORMATION RECEIVED IN EXECUTIVE SESSION:

The Kendall Appraisal District Board of Directors convened back into open session at 11:40am
No action was taken.

21. SET DATE AND TIME FOR NEXT MEETING: November 20th, 2024 at 9:00am

22. ADJOURNMENT: Chairperson Chris Godsey adjourned meeting at 11:41am.

Chris Godsey Date: 11/20/2024
Chairperson: Chris Godsey

Bud Paulson Date: 11/20/2024
Secretary: Bud Paulson

Nella Zapata Date: 11/20/2024
Chief Appraiser: Nella Zapata

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5. APPROVAL OF BUDGET FINANCE COMMITTEE REPORTS FOR MAY 22ND AND 29TH , 2024:
MOTION: Motion was made by Director Sprunger to approve the May 22nd and 29th minutes of the Budget Finance Committee. Seconded by Director Sprunger.
Motion carried 6/0

 Date: 9/11/2024
Chairperson: Chris Godsey

 Date: 9/11/2024
Secretary: Bud Paulson

 Date: 9/11/2024
Chief Appraiser: Nelia McNeal

**KENDALL APPRAISAL DISTRICT
BUDGET FINANCE COMMITTEE WORKSHOP
2025 PROPOSED BUDGET
May 22, 2024**

The Budget Finance Committee convened on May 22, 2024, at 9:00 AM with 3 members present:

Rex Sprunger
Rodney Edmondson
Bud Paulson

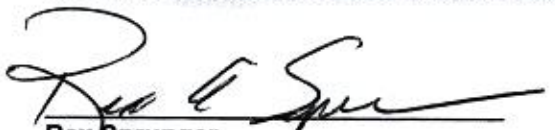
Also in attendance were Chief Appraiser, Nelia McNeal .

• **DISCUSSION**

1. The committee reviewed and discussed preliminary proposed budget as presented by the Chief Appraiser.
2. Explanation of State Comptrollers regulations and timelines explained to Finance Committee members. Delivery of Preliminary Budget must be presented to Kendall Board of Directors and Entities by June 14th per Texas Property Tax Code Sec. 6.06 .

The committee discussed the next Finance Committee meeting for review of changes Discussed to be on Tuesday, May 29th at 2:00pm.

Meeting was adjourned at 10:00am with all members' approval.


Rex Sprunger
Chairman of Budget Finance Committee

Date: 7-19-24


Nelia McNeal, Chief Appraiser

Date: 6/5/24

**KENDALL APPRAISAL DISTRICT
BUDGET FINANCE COMMITTEE WORKSHOP
2025 PROPOSED BUDGET
May 29, 2024**

The Budget Finance Committee convened on May 29, 2024, at 2:00 PM with 3 members present:
Rex Sprunger
Rodney Edmondson
Bud Paulson


Also in attendance were Chief Appraiser, Nelia McNeal and KAD Board of Directors Clerk, Katherine Nini.

• **DISCUSSION**

1. The committee reviewed proposed budget, line by line, and discussed the working preliminary budget as discussed on May 22, with minimal changes.
2. Discussion on Postage ensued. Explanation of amount of mail-outs for various Times (i.e. Notices, ARB hearings, BBP, Tax season, Homestead mailouts, Certified mailings, etc.) Climbing costs.
3. Salary Line item discussed. 3 Merit Increases only and all others a 5% COLA. Increase in salaries are mainly in new positions and acquiring seasoned professionals. Retirement, Social Security, Health Benefits are included in line item.
4. The committee discussed and recommends 5% COLA to be split into 2 columns. 3.5% COLA and 1.50% COLA increase in salaries. Chief Appraiser, Nelia McNeal, to either reward full amount to deserving employees, or partial at her discretion if she chooses to do so.
5. Phone allowance dialed back to original amounts. \$10 per month for appraisers and \$30 for Management.
6. Vehicle expenditures discussed. \$40,000 for a new vehicle and remainder for maintenance. (new tires, inspections, oil changes, service of vehicles.) Older vehicles are having Mechanical issues that need to be addressed.

The committee discussed the next board of directors meeting for formal presentation in accordance with the State Comptroller's regulations on budgets. (Texas Property Tax Code Sec. 6.06) Board of Directors and Entities to be notified 10 days before Public meeting.

Meeting was adjourned at 2:45pm with all members' approval.


Rex Sprunger
Chairman of Budget Finance Committee

Date:

7/19/24


Nelia McNeal, Chief Appraiser

Date:

4/5/24