

# **AMENDED MINUTES**

## **GALVESTON CENTRAL APPRAISAL DISTRICT Board of Directors**

### ***WORKSHOP and PUBLIC HEARING*** **August 12, 2020**

The Board of Directors of the Galveston Central Appraisal District convened for a Workshop at 3:00 PM and was followed immediately with a Public Hearing on Wednesday, August 12, 2020, at 9850 Emmett F. Lowry Expressway, Ste. A. Texas City, Texas to review and discuss the District's Proposed 2021 Operating Budget and the 2021-2022 ReAppraisal Plan.

Members present: Don Gartman  
Bruce Clawson  
Scott Brast  
Chad Tressler

Members present through Zoom:  
Tom Farmer

Members absent: Cheryl E. Johnson, member ex officio

Guests in Attendance: Chief Appraiser Tommy Watson, Executive Assistant Lauren Frame, Director of Finance and Administration Bertha Curry, GCAD Staff Attorney Barry Willey, GCAD Information Technology Director Michael Stephenson and John Kupsa, a resident of Santa Fe, Texas.

## **WORKSHOP**

### **1. OPEN SESSION**

With a quorum present, Chairman Don Gartman called the workshop to order at 3:01 PM. The meeting had been duly called. The public meeting notices for the workshop, public hearing and regular meeting were properly posted in accordance with the Open Meetings Act; Texas Government Code: Chapter 551.

### **2. Welcome Guests**

The Chairman welcomed the guests and stated that if anyone would like to speak they will be given the opportunity to do so at the public hearing.

### **3. Review and Discuss Galveston Central Appraisal District's Proposed 2021 Operating Budget.**

Mr. Watson stated that our 2021 operating budget increased by 5% and the total is \$6,653,002 but there is room to make some adjustments. Mr. Clawson asked to go over the line items because he has an issue concerning forms and printing. Mr. Clawson asked if the 16% jump was due to the new regulations that we are required to complete by the state of Texas. Mr. Watson said yes this jump is due to the new postcards and letters we are required to mail out this year, but this will decrease next year after things have settled. Mr. Watson then stated he reviewed the legal fees and what has been spent so far and we can reduce the amount from \$750,000 to \$600,000 which will bring our budget to

\$6,553,002. Mr. Clawson stated that since the board is talking line items and this is a workshop he would like to discuss giving the taxpayer liaison officer \$600 instead of the current \$500 due to the increase in Mr. Franzke's work efficiency. Mr. Farmer spoke up and agreed with Mr. Clawson on this change and the Chairman asked the rest of the board how they felt, it was agreed that the taxpayer liaison officer reports have been efficient and a much better quality than in the past and this was deserved. Mr. Watson stated that we can make this adjustment and that the new total will be \$6,554,202. The Chairman stated that if there was any possibility to cut back on salary increases or even spending on the line items he would like to see that happen throughout the year. Mr. Farmer stated that in the current environment the board needs to really be careful and look at things real closely, as we are elected to represent the taxpayers. Mr. Farmer said it will be a challenge for this board to challenge our management to be extremely efficient like never before to protect the taxpayer's interests and I am pleased with the work we have already done to try and pinch nickels. Mr. Watson stated that he appreciates that especially since we are short handed compared to other appraisal districts, we have 50 employees in the budget but are only operating with 48 right now, I intend to fill those other positions this year in our Commercial department.

The Chairman stated there are 2 board members who are a part of City Council or City Commissioners and he would like to hear from them on how they are handling their budget this year. Mr. Clawson began by stating he is a Commissioner for the City of Texas City and they are cutting their budget to the point that they will probably have a small tax increase and will be slightly below the no-new revenue, we think it is a very optimistic budget. But it will be difficult to maintain due to the unknowns, but we have begun to do what we can in this economy to find a good balance against the unprecedented unknowns. Mr. Tressler stated that the City of League City will also come in below the effective rate and it is decreasing, the city does have a lot of growth so our total revenue is still going up, our total budget is shrinking slightly but that's more a function and timing of our bonds we had during the election last year. Our staff is getting fairly consistent raise percentages from what we saw last year and similar to the Appraisal District we have a competitively underpaid staff; the general consensus from our council is that the times are tight for a lot of people and while we have decreased our forecast for next year this year is still looking to hit what we had budgeted. The Chairman stated that Cheryl sent him some information to input into the meeting and began reading; salary increases are inappropriate at this time, as government employees we have secure positions while many in our community are unemployed. This year the County is telling us that we should be thankful to have jobs and asked for a 5-10% budget cut. That would eliminate 5 positions in my office; I do not think salary increases are appropriate this cycle. Why are the Chief Appraiser expenses going up, gas is down, travel is down, education is online and via zoom, why are ARB expenses up \$20,000. The Chairman gave Mr. Watson the opportunity to answer these questions and Mr. Watson stated the Chief Appraiser expenses have gone up, I spend that when I take some of the employees to lunch and the \$1500 doesn't go very far. I am going to hire two more appraisers and the travel will be paid in mileage, they get paid .58 per mile and they do lots of driving and the ARB expenses are due to them being in more often with all the protests we have received this year.

The Chairman asked if the Board had any further comments, and Mr. Brast stated that while things are tough they are only as tough as we make them, the jury is still out on how bad economically this pandemic will affect us. I think that the Appraisal District is running in a good, effective and efficient manner and I don't see any reason that we need to make any drastic cuts or changes to next year. Mr. Tressler stated that he doesn't see any indications of anything other than the staff being below the competition. Mr. Farmer stated that we count on our management to examine the budget and determine where you can save and where unfortunately you have to add to. The Chairman encouraged



the district to be as frugal as possible during the year where we can and he thinks the entities would be happy if we spend less and refunded them as we have in the past.

#### **4. Review and Discuss Galveston Central Appraisal District's Proposed 2021-2022 Re-Appraisal Plan.**

Mr. Watson stated this is the Reappraisal Plan that is seen every year; the only thing different is the mailers that have to be mailed out and the school districts that we will be concentrating on for 2021, which will be Clear Creek ISD and Santa Fe ISD. Everything gets looked at, we run sales information on everything and make the adjustments county wide but Clear Creek and Santa Fe ISD will be the ones we concentrate on the most for 2021. Mr. Tressler stated that there are a few pages that he wants to look at. On page 105, neighborhood 4917 and 4917.1 and 4917.2 seem to be the difference in waterfront and not and the waterfront seem to be at higher ratio which I agree with but I found 3 pages that do the opposite, page 85, 98, and 137 the waterfronts are lower than the non waterfronts and that is causing problems for people when they come in and protest. Mr. Watson stated these are based on the sales information that the district receives; these modifiers are based on the improvements not the total property and we have found in those areas that the property sales were bringing less. Mr. Tressler stated the neighborhoods are the same and the only difference is the lot premium, so you can appraise the improvements the same and then put the premium on the lot, but if you're going to just look at the improvements then you need to have a base and then just increase the waterfront because this is backwards and it is indefensible when the tax payers try to challenge the lots. Mr. Watson stated that he will look up how we get the sales ratio for these neighborhoods.

#### **5. Adjournment**

The Chairman called the meeting to adjourn and the workshop concluded at 3:35 PM.

### **PUBLIC HEARING**

#### **1. OPEN SESSION**

At 3:36 PM, the board reconvened for a Public Hearing concerning the District's Proposed 2021 Operating Budget and the 2021-2022 ReAppraisal Plan. In accordance with the Texas Property Tax Code, the Secretary of the board had notified the presiding officer of each taxing unit of the date and time of the Public Hearing.

#### **2. Review and Discuss Galveston Central Appraisal District's Proposed 2021 Operating Budget**

The Chairman began by stating that the board discussed this during the workshop but that he will go around the room and see if anyone has any further comments and asked Mr. Watson if he has anything to add. Mr. Watson stated that during the workshop some adjustments were made so the total of the 2021 proposed budget amount is now \$6,554,202 and the percentage increase is at 3.35% from last year's budget. Mr. Clawson stated that even though we are setting the budget, we ask that you cut as much as you can, when you can. In the past we have returned money back to the taxing entities and I hope that even during this tough time we are able to continue to do so. We are setting a conservative budget in my opinion but I also believe that we have to remain competitive to keep individuals in here that can do the job. We have already cut the budget and with a little luck we can cut it again and again and return money back to the entities that fund us. Mr. Brast stated he is happy, he thought we had a good discussion during the workshop and we were able to cut a few areas and he is confident in Tommy and the team to cut it even more during the year. Mr. Farmer and Mr. Tressler stated they were

happy as well and look forward to the rest of the year and seeing what Tommy can do. The Chairman thanked Mr. Watson and Ms. Curry for doing a good job and expresses his appreciation.

### **3. Review and Discuss Galveston Central Appraisal District's Proposed 2021-2022 ReAppraisal Plan.**

The Chairman asked if there were any further comments. Mr. Tressler stated he is good with the Reappraisal Plan in general but that there were a couple things he had questions on in the workshop but Mr. Watson said he will look into those. There were no further comments from the board.

### **4. Comments from the Public.**

There were no comments at this time.

### **5. Adjournment**

Chairman Gartman stated that with no further questions or comments to be heard he would like a motion to adjourn the public hearing.

At 3:43 PM, Mr. Clawson **MOVED** to adjourn the Public Hearing. Mr. Brast **SECONDED** the motion. The motion **PASSED UNANIMOUSLY**.

Respectfully submitted,



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Bruce Clawson  
Secretary

Approved:



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Don Gartman  
Chairman