

Freestone Central Appraisal District
Directors Meeting

Minutes of May 14, 2025

Regular Meeting # 549

The Freestone Central Appraisal District Board of Directors met at the appraisal office located at 218 North Mount, Fairfield, Texas. Board members present were Craig Dunlap, Jerry Don Sanders, Stanton Brown, Lovie Whyte, Daniel Ralstin and Sid Fryer. Representing the appraisal district was Don Awalt, Chief Appraiser; Jason Moore, Deputy Chief Appraiser; Carol Clark, Administrative Assistant. Also in attendance was Mr. Frank Campos.

Mr. Dunlap called the meeting to order at 5:33 p.m.

Mr. Dunlap established proof of the posting of public notice of the meeting in accordance with the Texas Open Meeting Act from the affidavit attached to the foot of the posted agenda.

Mr. Dunlap then declared a quorum of members present.

Consideration and action were taken on the minutes of the meeting held on April 9, 2025. Mr. Fryer made a motion to approve the minutes as presented. Ms. Whyte seconded the motion. Motion carried.

The board then considered the district's monthly financial report for April 2025. Mr. Awalt pointed out the payment of \$16,552.50 made to Pritchard and Abbott for the software contract. A payment of \$43,911.00 was made to Eagleview Aerial Photography, and a final payment of \$1,990.00 to Mr. Frank Campos for the district's financial audit for year ending December 31, 2024. A payment of \$1,227.44 was made for Mr. Bottoms who completed his Level IV class in Austin.

The Budget vs. Actual showed that Mapping Services was over budget with Eagleview flying over the lake to photograph the Freestone Lake & Golf (FLG). After brief discussion, Ms. Whyte made a motion to approve the financial report for April 2025, with a second by Mr. Sanders. Motion carried.

Mr. Campos, CPA, presented the financial audit report for the year ending December 31, 2024. Mr. Campos stated that in his opinion, as presented in the report, indicated that the district's financial records are sound as stated on page one of his report. He added that in 2024, the district were required to adopt a new accounting principle by the Government Accounting Standards Board (GASB) regarding *Compensated Absences*. All accrued time, vacation, sick, and compensatory leave are reported as liabilities even if the employee is unable to receive the remaining hours after termination.

On page eleven of the report Mr. Campos pointed out the district's assets on the statement of net position and governmental fund balance sheet. The total amount of cash in the general fund is \$743,577 with capital assets, net of accumulated depreciation/amortization of \$102,882. The total deferred outflows of resources is \$231,755.

Reviewing the liabilities Mr. Campos stated that the total liabilities in the general fund is \$390,531, there was an adjustment of \$160,937, and \$551,468 in activities. The total fund balance is \$353,046 which included \$150,000 of litigation, \$10,000 for aerial photography, and an unassigned balance of \$193,046. The liabilities and total fund balance is \$743,577, with a total net position of \$560,645.

Mr. Campos continued his presentation by reviewing page twelve of the report showing the district's expenditures and expenses for current tax appraisal of \$1,387,400 with a balance of \$1,379,595 after \$7,805 of adjustments. There was a total expenditure and expenses of \$1,495,026 with \$57,647 of principal, \$3,350 of interest, and \$46,629 in capital outlay. With other adjustments from other financing sources which include inception of leases, the districts beginning fund balance was \$604,488 and an ending balance of \$560,645, and \$89,894 for a prior year reduced net position.

After brief discussion, Mr. Campos' concluded his presentation by stating to the board that there were no deficiencies in the handling of the district's finances. Mr. Fryer made a motion to approve the Financial Auditor's Report for year ending December 31, 2024, with a second by Mr. Brown. Motion carried.

Mr. Awalt proceeded to present the workshop to amend the 2025 Operating Budget. He informed the board that he would present the workshop for the proposed 2026 budget in the June meeting.

On the first page of the report Mr. Awalt reviewed the unassigned fund balance due to entities or to be encumbered. The unassigned fund balance from the 2024 audit was \$193,046. After deducting \$37,048 toward the Entity Payment Reserve for 2025, \$10,000 toward Aerial Photo Reserve for 2025, and \$40,812 toward CAD Retained Earnings for Prior Years, the amount due to entities or to be encumbered is a balance of \$105,186.

Mr. Awalt then explained the proposed encumbrances to the board. The \$10,000 to offset the increase in aerial photography contract for 2026 would allow the district to have a flight to photograph the lake each year. \$8,856 would be towards building maintenance for 2025 to seal and stripe the parking lot and convert the light fixtures to replace the old fixtures. \$20,000 would start a reserve fund for future building improvement needs. The remaining \$5,330 are 2024 CAD funds earned from selling maps, data, and interest from the district's general account.

Reviewing each page of the proposed amendment report, Mr. Awalt pointed out in Division IV *General Services* the category for building improvement which will be allocated an account number once the board has approved the amended budget. Division IX *Unassigned Fund Balance* had a total difference of \$76,330 which included \$5,330 for unrestricted fund balance, and \$71,000 of encumbered/restricted fund balance. Mr. Awalt continued his presentation with the grand total of \$105,186 difference stating that there would not be any change to what was already billed to the entities for 2025.

Mr. Awalt reminded the board that with the presentation being a workshop, the board will take action during their next meeting giving him the required thirty days to give the entities time to review the proposed amendments. He added that he will present a workshop next month for the proposed 2026 operating budget. The board agreed with the proposed amendments and that they would take action in the June meeting.

Mr. Dunlap asked Mr. Awalt if there was anything to report from the Taxpayer Liaison Officer. Mr. Awalt responded that there was nothing submitted for the board to review.

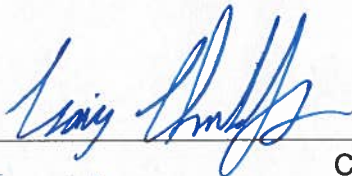
Mr. Awalt then presented the Chief Appraiser's Report for the district's activities since the last meeting.

Noted in the report:

- Notices of Appraised Value for real estate have been mailed to property owners/agents. As of 1:00 p.m. today, we have approximately 221 protests filed. The deadline to file protests for notices mailed in April is Friday, May 16.
- Notices for Mineral, Utility, and Industrial properties worked by Pritchard & Abbott are scheduled to be mailed out Friday, 16, and Business Personal Property worked locally will be mailed on the 21.
- Mr. Awalt reported that he attended a mid-season legislative update on May 13, 2025. Some of the bills that have gained traction and appear that they will pass at this time are:
 - SB 2 – Increases the General Homestead exemption amount from \$100K to \$140K
 - SB 23 – Increases the Over 65 Homestead exemption amount from \$10K to \$60K

- HB 9 – Changes the exemption amount for Business Personal Property from \$2,500 to \$125,000.
- HB 2730 – This would stop a Chief Appraiser from requesting a new homestead exemption application just to verify qualifications. There would have to be a reason to suspect the owner no longer qualifies. Thankfully, we already have a contract in place with Linebarger to review and verify homesteads.
- SB 973 – Removes the prohibition of having building sketches and street-level images on the CAD's website.
- HB 148 – This enacts annual training for Board of Directors members, similar to the ARB.
- There were multiple bills filed to extend the Circuit Breaker Value Limitation that is set to expire December 31, 2026, but at this time, there are no bills that appear to be moving forward. This means that on January 1, 2027, all value limitations in place due to the Circuit Breaker will be removed.

There being no further business, Mr. Brown made a motion to adjourn the meeting at 6:24 p.m.


Chairman


Secretary

Board Member