

Freestone Central Appraisal District
Directors Meeting

Minutes of May 13, 2026

Regular Meeting # 561

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, Stanton Brown, Sid Fryer, Jerry Don Sanders and Lovie Whyte. Representing the appraisal district was Don Awalt, Chief Appraiser; Jason Moore, Deputy Chief Appraiser; Carol Clark, Administrative Assistant. Also present 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 8, 2026. Mr. Brown 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, 2026. A payment of \$1,000.00 was made to Reason Consulting for the Business Personal Property (BPP) Tax Assessment software. \$2,154.75 was paid towards the Texas Workforce Commission for the first quarter report. Intuit payroll subscriptions was paid for the month and for the year, with a total of \$1,590.90.. Payments to Pritchard and Abbott included the mineral installment of \$66,250.00, and payment for mailing the real estate appraisal notices; \$5481.15 for folding, stuffing and mailing, and \$7,073.79 for postage. He added that the bill list were regular expenses, which included utilities, and payment for each of the Xerox printers. Ms. Whyte made a motion to approve the financial report for April 2026, with a second by Mr. Fryer. Motion carried.

At this time, Mr. Campos proceeded to present his report on the district's financial audit for year ending December 31, 2025. Mr. Campos read the 'Opinions', paragraph on the first page of the report, then reviewed page 11, which is the statement of net position and governmental fund balance sheet. Reviewing the balances under the General Fund column, the Adjustments, and Governmental Activities, listing the cash balances which was in line with the budget, and liabilities which included payroll, compensated absences, and leases payable. Pension related activities with OPEB liability, of which Mr. Campos explained that it was additional due to the district adding the Group Term Life for active employees, and retirees to the retirement plan. Overall, the district is in good financial position with a net investment in capital assets of \$161,749, unrestricted balance of \$386,027, and a net total position of \$547,776. The fund balance and net position shown on the fund revenues, expenditures, and changes had the General Fund with a decrease of \$3,708 and the Governmental Activities with a decrease of \$12,869. The Budgetary Comparison Schedule on page 42 showed that the district's expenditures for 2025 were all under budget. With a beginning fund balance of \$353,046, and an ending fund balance of \$349,338, there was only a decrease of \$3,708.

Mr. Campos concluded his presentation by stating 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, 2025, with a second by Ms. Whyte. The motion carried.

Mr. Awalt proceed with the workshop on the 2026 operating budget. The first page of the proposed amendments showed the unassigned fund balance from 2025 audit which was \$169,338, less \$61,000 for the entity payment credit for 2026, and \$46,140 of the district's retained unrestricted earnings from the prior year. The total due to entities or to be encumbered, is \$62,198. Mr. Awalt proposed an additional \$25,000 to increase litigation from \$150,000 to \$175,000. He added that Grand Prix Pipeline

had a \$183M going to trial in January 2027. DCP Pipeline had lawsuits at \$10M per year with lawsuits still pending from 2023. Mr. Awalt stated that a total of \$51,195 in CAD earnings can be used if necessary. After brief discussion, Mr. Awalt reminded the board that there was no action to be taken, as the entities must have thirty (30) days to review the amended budget before it can be approved.

The board considered Administration Policy Updates and Corrections. Mr. Awalt reminded the board that they will be reviewing the remainder of the policy that was not approved during the last meeting. Mr. Awalt briefly reviewed Section 7 – *Conduct & Discipline*, stating that there was a lot of new verbiage to include where the guidelines for the listed conducts could be found. Additional verbiage was added to the complaint procedure on page 3 of the policy. An employee would report a complaint to the Chief Appraiser in writing, or by email; if unable to report to the Chief Appraiser, the employee would file a written report to the Board of Directors or the Taxpayer Liaison Officer (TLO). A phone number to contact the Workplace Violence Hotline, and the website to the iWatchTexas Community Reporting System was also added under Section 7.30 *Workplace Violence*

Appearance and Attire was reviewed regarding the employees reflecting the District's level of professionalism, including social media while being outside of the office. Mr. Awalt stated that verbiage was added to progressive discipline to explain what each step entails to provide the employee with notice of deficiencies, and an opportunity to improve. The first step is verbal counseling, a written warning, final written warning or probation, and then immediate discipline.

Section 8:12 *Direct Deposit* was added to ensure that changes would be made in writing, and to include official bank documentation with the proper account information. Forms must be completed in person if possible; no changes or set-up will be made verbally or by email. Changes would not take effect until the next payroll cycle following verification. The Chief Appraiser or the person responsible for payroll processing must be informed within two business days if no deposit has been credited to their account.

Mr. Awalt proceeded to review the financial policy with page 11 Section 6.01 *Internal Controls and Fraud Prevention*. He stated that no individual shall control more than one of the functions listed for the same transaction. Ms. Clark prepares the checks, which are approved and signed by Mr. Awalt. Mr. Moore performs bank reconciliations monthly.

Meals for travel and training was updated by removing the payment amount to state that the employee would be paid equal to the total GSA M&IE rate for Austin, TX . The board of directors fee amount was also updated to state that it is recorded in the board minutes annually. The ARB would be compensated equal to one-half the full day rate for a meeting or training session attended that is less than four(4) hours. Meetings exceeding four (4) hours would be paid at a full daily rate as stated and recorded annually by the board of directors.

Mr. Awalt concluded his presentation giving the board an opportunity to ask questions. Mr. Dunlap made a motion to approve the Administrative Policy Chapter 2:7-10, and Chapter 3 with updates and corrections. Mr. Brown seconded the motion. The motion carried.

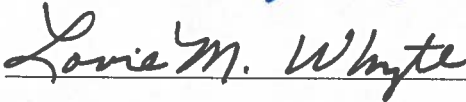
With no report submitted by the Taxpayer Liaison Officer for the board to review, Mr. Awalt reported that Pritchard & Abbott had submitted a proposal for the mineral and software contracts. He wanted to inform the board of the proposal in the event that he would need time to put out a request for bids. The proposals were included in the board packet but was not an item listed on the agenda. Next year there will be 2 solar farms, Calpine power plant, and a data center to be appraised. Mr. Awalt named T Y Pickett, and Capital Appraisal Group as two other companies that may submit a bid if necessary. Pritchard & Abbott's mineral proposals are \$287,000 (8.30%) for 2027, and \$309,000 (7.67%) for 2028. Mr. Awalt offered \$278,000 (4.91%) for 2027, and \$292,000 (5.04%) for 2028. To propose an offer that was in the middle would be \$282,000 (6.42%) for 2027, and \$300,000 (6.38%) for 2028.

Mr. Awalt concluded by informing the board that the protest deadline is on Friday.

There being no further business, Mr. Dunlap made a motion to adjourn the meeting at 7:04 p.m. Mr. Fryer seconded the motion. The motion carried.



Chairman



Secretary

Board Member