



Minutes from September 15, 2022

The El Paso Central Appraisal District Board of Directors held its regular meeting on Thursday, September 15, 2022, at 5:03 p.m., in the Conference Room of the El Paso Central Appraisal District (EPCAD), 5801 Trowbridge Drive, El Paso, Texas, with the following quorum of five members present.

1. Joshua Acevedo
2. Freddy Khlayel-Avalos
3. Tanny Berg
4. Walter Miller
5. Cynthia Ramirez

Attorney Carmen Hegeman of Dunbar, Armendariz, Hegeman Law Firm, EPCAD's legal counsel, was in attendance for the entire meeting.

The first order of business was to recite the pledge of allegiance to the flag of the United States of America and the pledge of allegiance to the Texas state flag.

AGENDA ITEM 1 - PUBLIC COMMENT

Ms. Dinah Kilgore, EPCAD Chief Appraiser, stated that no one had signed up to make public comment.

ACTION AGENDA ITEM 2 - APPROVAL AND SIGNING OF MINUTES FROM AUGUST 18, 2022 MEETING

Mr. Berg made a motion to approve the August 18, 2022 Minutes as presented; Mr. Acevedo seconded; the vote was called and passed.

ACTION AGENDA ITEM 3 - REVIEW AND APPROVAL OF FINANCIAL REPORTS FOR JULY, 2022

Ms. Rosa Goldmann, EPCAD Chief Financial Officer, presented the financial reports for July 2022. EPCAD's financial report contains the balance sheet; report of revenues, expenditures, and changes in cash balance (in actual-to-budget); the investment report; and the notes on the financial report.

Ms. Goldmann stated the following line-items were over-budget:

July 2022

- Appraisal Review Board by \$22,842.92 increase in protest/hearings.

- Books, publications, subscriptions by \$3,803.92 additional residential sales reports.
- Janitorial by \$894.13 due to extra cleaning supplies.
- Supplemental / Temporary help by \$8,226.32 to cover vacancies.

Ms. Goldmann further stated that the Litigation Reserve account had \$889,759.32 balance as of July 2022. For the month of July 2022, \$10,240.68 were spent from the Litigation Reserve.

The budgeted litigation line-item \$641,200 was spent.

Mr. Berg made a motion to approve the financial reports for July 2022, subject to audit; Mr. Acevedo seconded; the vote was called and passed.

ACTION AGENDA ITEM 4 - DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION TO ENCUMBER FUNDS FOR LITIGATION RESERVE

Ms. Kilgore stated that EPCAD encumbers litigation funds in addition to the budget line item. As of July 31, 2022, the Litigation Reserve balance was \$889,759 because \$10,240.68 were spent from the \$900,000 Litigation Reserve. EPCAD staff estimates \$60,000 for August and September 2022 litigation expenses. EPCAD would like to have one million dollars in the Litigation Reserve account or at least bring the balance back to \$900,000. To encumber funds, EPCAD has to estimate the amount that will be necessary to cover litigation expenses for the next fiscal year.

If the Litigation Reserve funds are not used, the board may direct EPCAD to return them to the entities. This year, it is estimated that EPCAD will return approximately \$950,000 to the taxing entities through a credit against the entities' quarterly payment.

EPCAD staff requests to encumber \$130,241 in the Litigation Reserve for the 2022/2023 budget year to bring back the litigation reserve balance to \$900,000.

Mr. Acevedo requested a history of litigation-encumbered funds and back-up information. Ms. Goldmann informed the board that it was previously provided to board members in the audit report and in the budget. A copy of that specific budget page was distributed to board members.

Mr. Berg made a motion to encumber \$130,241 for the Litigation Reserve; Mr. Khlayel-Avalos seconded; the vote was called and passed.

ACTION AGENDA ITEM 5 - DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION TO ENCUMBER FUNDS FOR TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM (TCDRS)

Ms. Kilgore stated that EPCAD participates in the Texas County and District Retirement System (TCDRS). EPCAD enrolled in TCDRS on October 1, 2010. Most appraisal

districts and counties in Texas participate in TCDRS. Over the years, EPCAD slowly built it up. EPCAD employees are currently matched at 250%, the maximum that can be matched. Employees pay 7% into TCDRS. The rate will stay the same for the approved budget year 2022/2023, but it will adjust EPCAD's unfunded liability.

Mr. Stone added that the 250% maximum will put EPCAD at the same level as the El Paso County and Lower Valley Water District.

EPCAD staff requests to encumber \$329,000, specifically making the EPCAD 250% match retroactive to October 1, 2010, for current employees; not for employees that have left EPCAD. It would only go back to the date the employee became employed at EPCAD. It would bring all employees to the same level.

Mr. Acevedo requested to receive back-up information in advance of the meeting.

Mr. Berg made a motion to encumber \$329,000 for the Texas County and District Retirement System (TCDRS); Mr. Khlayel-Avalos seconded; the vote was called and passed.

AGENDA ITEM 6 - TAXPAYER LIAISON REPORT

Ms. Tracy Carter, Taxpayer Liaison Officer (TLO), informed the Board:

- She has received 19 new applications, 11 applications from previous members, and 18 current ARB members have applied.
- District Judge Annabell Perez will begin the interview process on October 11, 2022.

With no questions from the Board, this concluded Ms. Carter's report.

AGENDA ITEM 7 - CHIEF APPRAISER REPORT – DINAH KILGORE

Ms. Kilgore, EPCAD Executive Director/Chief Appraiser, informed the board of the following:

- EPCAD is currently hiring new appraisers.
- EPCAD is currently offering several courses.
- Appraisers have been busy performing fieldwork.
- Late protests will be heard at the end of October 2022.
- EPCAD staff members were at the International Association of Assessing Officers (IAAO) conference in August. Mr. Rodolfo Arvizo, IT Manager, Mr. David Martinez,

Developer Operations Administrator, and Mr. Chris Barquin, System Security, were invited to include their presentation in the IAAO 2023 webinar series.

- Gabrielle Melendez, EPCAD Chief Human Resource Officer, was appointed to the local chapter SHRM [Society of Human Resource Managers] Board of Directors.
- With no questions from the Board, this concluded Ms. Kilgore's report.

AGENDA ITEM 8 - EXECUTIVE SESSION UNDER THE AUTHORITY OF TEX GOV'T. CODE § 551.071 & 551.074 TO DISCUSS LEGAL AND PERSONNEL MATTERS

- a. Discussion with attorney regarding administrative complaints.

Mr. Miller stated that this item would be postponed to the next board meeting when more members would be in attendance.

Mr. Berg made a motion to delete agenda item 8 from discussion; Ms. Ramirez seconded; the vote was called and passed.

ACTION AGENDA ITEM 9 - DISCUSSION AND POSSIBLE ACTION REGARDING PREVIOUS ITEM

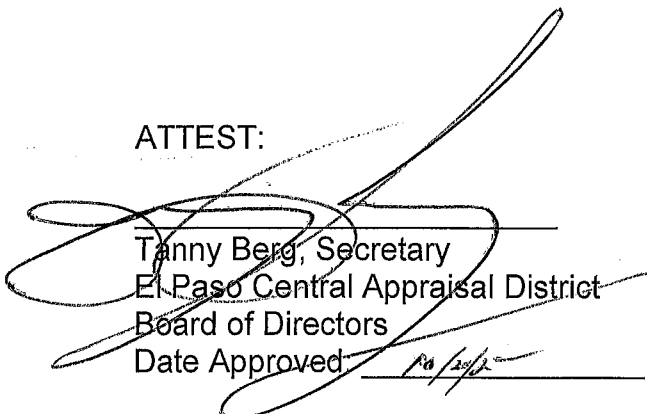
Item deleted as per previous item statement.

With no further business to come before the Board, the meeting adjourned at 5:36 p.m.

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Eduardo Mena, Chair
El Paso Central Appraisal District
Board of Directors

ATTEST:


Tanny Berg, Secretary
El Paso Central Appraisal District
Board of Directors
Date Approved: 1/20/22



BALANCE SHEET
July 31, 2022

Assets

Cash in Bank	1,727,123.44	
Investments	5,325,356.41	
Petty Cash	150.00	
Total Cash		<u>7,052,629.85</u>
Prepaid Expenses	181,967.44	181,967.44
Total Current Assets		<u>7,234,597.29</u>

Building	2,354,796.59	
Building Accum Deprec	(942,437.77)	1,412,358.82
Building Refit	637,114.19	
Bldg Refit Accum Deprec	(637,112.19)	2.00
Furniture & Equipment	675,485.55	
Furn & Equip Accum Deprec	(629,045.40)	46,440.15
Computer Equipment	681,645.79	
Computer Equip Accum Deprec	(595,113.19)	86,532.60
Vehicles	631,289.63	
Vehicles Accum Deprec	(192,745.16)	438,544.47
CAMA System	1,378,742.00	
CAMA Sys Accum Deprec	(1,378,738.00)	4.00
Building improvements	1,806,945.81	
Building Improv Accum Deprec	(1,081,290.84)	725,654.97
Building Equipment	280,835.35	
Build Equip Accum Deprec	(182,390.46)	98,444.89

Total Fixed Assets		<u>2,807,981.90</u>
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Deferred Outflow Res-Pension		2,054,835.77
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Total Assets		<u>12,097,414.96</u>
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Liabilities and Fund Balance

Accounts Payable	251,329.30
Accrued Expenses	13,970.00
Accrued Payroll Payable	866,537.29
TCDRS Payable	179,724.83
Dep. Personal Life Ins & Cobra	(7,125.44)
Cafeteria 125	0.06

Total Current Liabilities	1,304,436.04
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TCDRS Net Pension Liability	1,076,381.00
Deferred Inflow Res-Pension	850,558.00
TCDRS Expense-Allowance	<u>1,471,033.37</u>

TOTAL LIABILITIES	4,702,408.41
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Reserved Encumbrance	889,759.32
Fund Balance	6,505,247.23

TOTAL LIABILITIES AND FUND BALANCE	<u>12,097,414.96</u>
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EL PASO CENTRAL APPRAISAL DIST
REPORT OF REVENUES, EXPENDITURES AND CHANGES IN CASH BALANCE
For Month Ending July 31, 2022

Revenues	July	YTD	YTD Budget	Variance
Revenues from Taxing Entities	0.00	18,037,132.49	18,037,132.49	0.00
Interest Income	4,395.57	9,214.52	8,000.00	1,214.52
Miscellaneous Income	314.85	2,180.20	1,500.00	680.20
Rendition Penalty Income	3,044.36	88,091.73	80,000.00	8,091.73
Total Revenue	7,754.78	18,136,618.94	18,126,632.49	9,986.45
EXPENDITURES				
Wages and Salaries	678,397.07	7,058,007.21	7,236,604.75	178,597.54
Payroll Related Expenses	220,685.06	2,033,510.69	2,054,570.02	21,059.33
Payroll tax-mandatory	110,154.36	845,629.36	849,857.35	4,227.99
Computer Expense	0.00	5,494.61	8,500.00	3,005.39
Software, Support, Licensing	8,716.28	767,613.09	797,000.00	29,386.91
Vehicles - Insurance	1,000.00	13,069.68	16,000.00	2,930.32
Vehicles - Gas/Oil/Maintenance	1,380.45	23,359.54	31,500.00	8,140.46
Building - Utilities	21,556.67	158,767.04	171,890.68	13,123.64
Building - Maintenance	6,493.03	85,536.04	105,846.50	20,310.46
Building - Janitorial	894.13	10,807.69	7,140.00	(3,667.69)
Assets - Furniture Equipment	0.00	8,567.63	9,000.00	432.37
Assets - Computer Equipment	38,190.00	50,455.67	50,580.00	124.33
Assets - Strategic Plan - Vehicles	(1,045.00)	154,960.10	150,000.00	(4,960.10)
Assets - Building Improvements	0.00	8,900.00	9,000.00	100.00
F/E - Lease	20,330.85	214,265.13	231,177.84	16,912.71
F/E - Maintenance	4,960.49	83,928.79	100,000.00	16,071.21
Small Furn & Equip	1,997.13	33,271.16	39,000.00	5,728.84
Paper, supplies, etc	6,372.29	54,142.30	63,338.67	9,196.37
Printing	3,679.00	28,629.70	32,000.00	3,370.30
Advertising Req. by Law	0.00	11,287.98	16,250.00	4,962.02
Advertising Other	0.00	26,652.16	33,000.00	6,347.84
Postage/Mailing	15,014.71	221,771.06	228,500.00	6,728.94
Education, dues	1,852.88	143,364.74	161,000.00	17,635.26
Bonding/General Insurance	0.00	28,075.05	27,606.00	(469.05)
Audit & Consultation	0.00	18,644.13	22,974.17	4,330.04
Chief Appraiser-Education, dues	105.60	8,650.12	14,618.75	5,968.63
BOD - Education	0.00	3,859.57	7,000.00	3,140.43
Books, Publications, Subscrptn	5,282.96	21,619.92	17,816.00	(3,803.92)
Legal Fees	60,513.43	651,440.68	641,200.00	(10,240.68)
Arbitration	0.00	8,700.00	15,716.66	7,016.66
Appraisal Review Board	87,050.00	359,742.92	336,900.00	(22,842.92)
Taxpayer Liaison Officer-Expen	122.59	4,230.21	4,950.00	719.79
Professional Services	36,882.44	1,169,399.80	1,195,000.00	25,600.20
Supplemental Help/Temps	8,226.32	78,997.85	51,200.00	(27,797.85)
Interest Expense	0.00	0.00	0.00	0.00
Contingency Fund	0.00	0.00	0.00	0.00
Encumbered Fund - Litigation	(10,240.68)	(10,240.68)	0.00	10,240.68
Total Expenditures	1,328,572.06	14,385,110.94	14,736,737.39	
Excess Revenue over Expenditures		<u>3,751,508.00</u>		

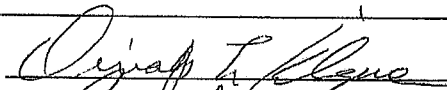
El Paso Central Appraisal District

INVESTMENT REPORT

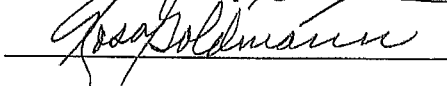
July 31, 2022

Institution	Type	Issue Date	Maturity Date	Amount	Interest Rate	Interest Earned	Accrued
W/F Securities	WF Gov MMF Sel		none	1,509,177.28	1.410%	1,204.22	
W/F Securities	JP Morgan US Gov		none	169,957.93	1.420%	145.51	
W/F Advisors	WF Fed. Hermes Gov MM		none	3,646,221.20	0.03%	3,045.84	
				5,325,356.41		4,395.57	0.00

Executive Director/Chief Appraiser



Chief Financial Officer



NOTE TO JULY, 2022 FINANCIAL REPORT

Over Budget:

Building Janitorial	\$894.13	due to extra cleaning supplies
Books, Publication, Subscriptions	\$3,803.92	additional residential sales reports
Appraisal Review Board	\$22,842.92	increase in protests / hearings
Supplemental Help/ Temps	\$8,226.32	to cover vacancies.

Encumbered Funds:

-	Litigation Reserve	900,000.00
		July (10,240.68)

889,759.32 Bal



EL PASO CENTRAL APPRAISAL DISTRICT BOARD OF DIRECTORS

RESOLUTION

LITIGATION RESERVE

In accordance with Section 6.06 (j) of the Texas Property Tax Code and Texas Attorney General Opinion GA-1040, the El Paso Central Appraisal District Board of Directors hereby obligates revenue excess from the current fiscal budget year 2021/2022, the amount of One Hundred Thirty Thousand Two Hundred Forty One Dollars (\$130,241), to the fiscal budget year 2022/2023, which begins October 1, 2022. These funds are to be obligated specifically for the following:

- I. Litigation Reserve of One Hundred Thirty Thousand Two Hundred Forty One Dollars (\$130,241) for the El Paso Central Appraisal District, fiscal year 2022/2023.

Funds from the reserve can be used only to satisfy costs related to litigation.

Funds from the reserve can be utilized only upon Board of Directors' Approval. The balance of the reserve will be included in the financial report at Board of Directors' meetings.

If for any reason the above item of obligation is satisfied and/or otherwise terminated, any excess remaining funds will be credited back to the taxing entities in accordance with Section 6.06 (j) of the Texas Property Tax Code.

This resolution was adopted by a majority vote of the El Paso Central Appraisal District Board of Directors on September 15, 2022.

Eduardo Mena
Chairman, Board of Directors

Tanny Berg
Secretary, Board of Directors



EL PASO CENTRAL APPRAISAL DISTRICT BOARD OF DIRECTORS

RESOLUTION

TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM FUND RESERVE

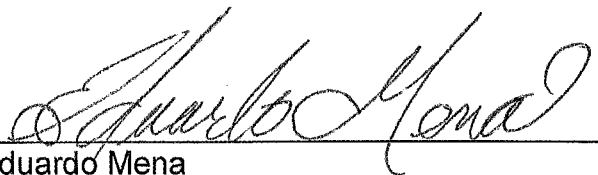
In accordance with Section 6.06 (j) of the Texas Property Tax Code and Texas Attorney General Opinion GA-1040, the El Paso Central Appraisal District Board of Directors hereby obligates revenue excess from the current fiscal budget year 2021/2022, the amount of Three Hundred Twenty Nine Thousand Dollars (\$329,000) to the fiscal budget year 2022/2023; which begins October 1, 2022. These funds are to be obligated specifically for the following:

- I. Texas County and District Retirement System (TCDRS) Reserve of Three Hundred Twenty Nine Thousand Dollars (\$329,000) for the El Paso Central Appraisal District, fiscal year 2022/2023.

Funds from the reserve can only be used to modify the TCDRS plan, specifically make the El Paso Central Appraisal District 250% match retroactive to October 01, 2010.

If for any reason the above item of obligation is satisfied and/or otherwise terminated, any excess remaining funds will be credited back to the taxing entities in accordance with Section 6.06 (j) of the Texas Property Tax Code.

This resolution was adopted by a majority vote of the El Paso Central Appraisal District Board of Directors on September 15, 2022.



Eduardo Mena
Chairman, Board of Directors



Tanny Berg
Secretary, Board of Directors