



Minutes from October 21, 2021

The El Paso Central Appraisal District Board of Directors held its regular meeting on Thursday, October 21, 2021 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 six members present.

1. Joshua Acevedo
2. Freddy Khlayel-Avalos
3. Tanny Berg
4. Eduardo Mena
5. Walter Miller
6. Jackie York

7. Laure Searls arrived at 5:19

Attorney Carmen Hegeman of Dunbar, Armendariz, Hegeman Law Firm, EPCAD 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 L. Kilgore, EPCAD Executive Director/Chief Appraiser, stated that no one had signed up to make public comment.

ACTION AGENDA ITEM 2 -

APPROVAL AND SIGNING OF MINUTES FROM SEPTEMBER 16, 2021 MEETING

Mr. Mena made a motion to approve the September 16, 2021, Minutes as presented; Mr. Khlayel-Avalos seconded; the vote was called and approved.

ACTION AGENDA ITEM 3 -

REVIEW AND APPROVAL OF FINANCIAL REPORT FOR AUGUST 2021

Ms. Rosa Goldmann, EPCAD Chief Financial Officer, presented the financial report for August 2021. 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 for August 2021:

Category	Description	Overage
Janitorial	supplies for deep cleaning and sanitization	\$8,654.91
Building improvements	accrued estimate of repair to south east corner of rear parking lot.	\$38,656.00
Postage/Mailing	the current year is a reappraisal year and Notice of Appraised Value (NOV) were sent to all taxpayers. Increase in protests generated a higher volume of certified appointment letters mailed to taxpayers	\$150,601.57
Supplemental help	additional temporary staff to keep areas clean and sanitized during protest season and to cover for staff who separated from the district.	\$16,940.19
Computer expense	updated IT tools to test and troubleshoot equipment.	\$3,046.21
Computer equipment	Projectors for classroom and boardroom.	\$10,093.31
Books, publications, and subscriptions	Books of residential sales data.	\$1,533.23
Appraisal Review Board	Increase in protests.	\$13,182.08

The litigation reserve encumbered funds balance is \$37,878.62.

Mr. Miller asked to elaborate on supplemental help.

Ms. Kilgore stated that supplemental help assisted during summer protest season cleaning the panel rooms.

Mr. Acevedo asked about the increase in protests.

Ms. Kilgore stated that the protest increase is a result of the market.

Mr. Berg asked what education do appraisers receive.

Ms. Kilgore stated that EPCAD has Texas Department of Licensing and Regulation (TDLR) approved in-house instructors, Mr. Rick Medina, Director of Administrative Services, Mr. James Thompson, Director of Appraisal Services, Mr. Arik Wright Assistant Application Support Manager, Mr. Tony Delgado, ARB/Procedures Manager, and herself as well. TDLR requires that appraisers complete courses and pass two exams. Appraisers must acquire 30 units every two-years, at least 15 units per year, and appraisers need be registered with the state as Property Tax Professionals. Rick Medina and Ms. Dina Ornelas, Administration Coordinator, set-up the course calendar. EPCAD's non-appraiser employees also take courses to benefit them in their positions.

Mr. Berg made a motion to approve the financial report for August 2021 as presented; Mr. Mena seconded; the vote was called and approved.

ACTION AGENDA ITEM 4 –

DISCUSSION AND POSSIBLE ACTION ON CONTRACT FOR AERIAL PHOTOGRAPHY AND CHANGE DETECTION

Mr. David Stone, EPCAD Assistant Chief Appraiser, introduced Mr. Kevin Beers, District Manager, and Mr. Stephen Ross, Regional Technical Manager, with EagleView.

Mr. Stone informed the board that EPCAD's current contract with EagleView Technologies has expired. The contract was for three flights over a six-year period.

Harris Govern (our CAMA vendor) has developed a tool called Matix to make it easier for appraisers to perform GIS analysis. The Matix software integrates CAMA data with GIS data, and aerial photography. EagleView Technologies is the only aerial photography vendor whose product fully integrates with Matix for both orthogonal and oblique images.

Change Detection is another service offered by EagleView Technologies. Change Detection identifies changes to improvements between aerial photographs taken in different years. Change Detection gives staff the ability to review a large number of properties. EPCAD has budgeted for Change Detection for the current fiscal year.

EPCAD staff requests a two-year contract with EagleView at \$255,840 yearly for two flights and 3-inch resolution on the aerial photographs. The budgeted amount is \$210,000, but there is money in the budget to cover the difference.

Mr. Mena asked how EPCAD plans to make-up the difference of \$45,840 to pay for the two-year contract with EagleView.

Mr. Stone responded that EPCAD bought the Matix software out of last year's budget. The Matix maintenance will come out of this year's budget.

Ms. Kilgore added that it will come out of the enhancement line item.

Mr. Berg asked how EPCAD's price compares to other appraisal district prices.

Ms. Kilgore responded that they are probably charging EPCAD less.

Mr. Beers added that EagleView prides itself on treating everybody equally and they charge by square mile.

Mr. Khlayel-Avalos asked if there are any appraisal districts that are using different aerial imagery technology.

Mr. Stone replied that Bexar County uses NearMap. EPCAD chose EagleView because Matix software gives the appraisers the analytics in the GIS software. If the Matix software would fully accept other competitors' aeriels, EPCAD would have gone out for a request for proposal.

Ms. Kilgore added that Google Earth or satellite imagery are not reliable, they are not easily accessible, and they are not always running. There is an appraisal district in a very small rural county in Texas that uses a helicopter.

Mr. Acevedo asked for the budget amount and inquired why there was not any back-up material.

Mr. Stone stated that the original line item was \$210,000, plus there is an additional line item, custom camera programming, for \$50,000. He added that the back-up material was not available at the time EPCAD staff posted the agenda.

Mr. Stone told the board that he would like to table the Change Detection with Eagle View for next month's board meeting because EPCAD staff still needs to receive quotes. The Change Detection is usually done every five-years.

Ms. Kilgore added that it is a separate budget line item.

Mr. Miller asked if Change Detection is sole source.

Ms. Kilgore answered that Change Detection is a sole source provider.

Mr. Miller stated that he does not feel comfortable with sole source companies. He further asked if EPCAD has a sole source policy in the procurement methodology.

Mr. Stone responded that EPCAD does not have a formal procurement policy in place, but is in accordance with the Texas Property Tax Code and that it is similar to what other municipalities adhere to. One of the exceptions to going out to bid is if the company is a sole source company. EagleView is a sole source company because they have the only aerial photography that fully integrates into the software.

Mr. Acevedo asked why EPCAD staff wants this approved at this board meeting instead of next board meeting.

Mr. Stone responded that EPCAD is competing with other appraisal districts to schedule flights.

Ms. Searls made a motion to approve the contract for aerial photography with EagleView with the deletion of Change Detection as presented to the board; Mr. Berg seconded; the vote was called and approved. Mr. Freddy Khlayel-Avalos and Mr. Acevedo abstained from voting because there was no back-up and it is a sole source contract.

ACTION AGENDA ITEM 5 -

DISCUSSION AND POSSIBLE ACTION REGARDING THE DECEMBER 2021 BOARD OF DIRECTORS' MEETING

Ms. Kilgore informed the Board that historically the Board does not meet in December. EPCAD Board of Directors' have met at least once each calendar quarter as required by the Property Tax Code. The By-laws state that the cancellation of a meeting has to be decided by the Board.

Ms. Kilgore requested to cancel the December 2021 Board of Directors' meeting.

Mr. Miller stated that a vote was not needed because it depends only on the board president and Ms. Kilgore's consensus.

Ms. Kilgore confirmed that there will not be a December 2021 Board of Directors' meeting.

ACTION AGENDA ITEM 6 -

DISCUSSION AND POSSIBLE ACTION REGARDING EPCAD'S PROPOSED 2022 HOLIDAY SCHEDULE

The 2022 proposed holiday schedule contains fourteen days. EPCAD requests to add June 20, 2022, in observance of Juneteeth.

The 2021 approved holiday schedule contained fourteen holidays.

Mr. Acevedo suggested EPCAD staff to have January 3, 2022, off in observance of New Year's Day.

Mr. Berg made a motion to approve the EPCAD 2022 holiday schedule with the addition of January 3, 2022 in observance of New Year's Day; Ms. York seconded; the vote was called and approved.

AGENDA ITEM 7 -

TAXPAYER LIAISON REPORT

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

- The Appraisal Review Board (ARB) received twenty-two applications to fill ARB vacancies and two applications for Chairman and Secretary.
- Ms. Carter will assist Administrative Judge Linda Chew in the selection of new ARB members. Nineteen ARB member positions need to be filled.
- The *Applicants Sought for Appraisal Review Board (ARB)* ad will be published in El Diario and El Paso Times on October 31, 2021.
- Administrative Judge Linda Chew extended the deadline to receive application to the ARB to November 15, 2021.
- The ARB will hear late protests November 1-9, 2021.

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

AGENDA ITEM 8 -

CHIEF APPRAISER REPORT – DINAH L. KILGORE

Ms. Kilgore, EPCAD Executive Director/Chief Appraiser, informed the Board:

Since August 2021, EPCAD has hosted in-house courses for staff and welcomed staff from regional appraisal districts and local taxing entities. The courses taught are:

- Uniform Standards of Professional Appraisal Practices (USPAP);
- Texas Property Tax Law;
- Appraisal Analysis;
- IAAO Business Personal Property; and
- Income Approach to Value

On October 1, 2021, EPCAD board member appointment/reappointment letters were sent out to entity presiding officers.

On October 13, 2021, EPCAD held a wellness fair for employees with 17 vendors exhibiting.

Also on October 13, 2021, EPCAD Human Resource Department coordinated to have the Army National Guard in the front parking lot to provide Covid-19 vaccines to the public.

On October 28, 2021, the ARB members will receive training from the ARB attorney.

According to a new law that goes into effect January 1, 2022, EPCAD board members can only serve 5 2-year terms on the EPCAD board; for a maximum of ten years.

The Consolidated Tax office will be sending the tax bills to property owners this week.

Late hearing protests will be from November 1-9, 2021.

At the end of January 2022, the City Tax Office will have a mobile bank in the EPCAD parking lot to accept property tax payments.

A new law went into effect that states that once a property owner files a late protest, EPCAD only have certain number of days to schedule the hearing.

Mr. Miller asked for an update on the parking lot repairs.

Ms. Kilgore replied that an architect assessed the parking lot and stated that it was strictly surface damage. The repairs will cost \$35,000. Since the cost of the repairs is less than \$50,000, EPCAD staff does not have to go out to bid. EPCAD hired the contractor that currently works on the building.

Mr. Berg asked for the name of the contractor.

Mr. Medina stated it was Bace Contractors.

This concluded Ms. Kilgore's report.

Mr. Miller stated that the board will not take action in Executive Session.

Ms. Kilgore added that it is her decision to come out of Executive Session to discuss her contract.

The board adjourned into Executive Session at 6:07 p.m.

AGENDA ITEM 9 -

EXECUTIVE SESSION UNDER THE AUTHORITY OF TEX GOV'T. CODE § 551.071 & 551.074 – DISCUSSION OF LEGAL MATTERS WITH ATTORNEY

- a. Discussion and possible action regarding Chief Appraiser evaluation and contract.

ACTION AGENDA ITEM 10 -

DISCUSSION AND POSSIBLE ACTION REGARDING PREVIOUS ITEM

Ms. Searls made a motion to amend the existing contract with Dinah L. Kilgore, Executive Director, adding three additional years to the term ending December 31, 2025 and increasing base salary to \$195,000. Mr. Mena seconded, the vote was called and approved.

Mr. Mena congratulated Ms. Kilgore on her 3-year contract extension and \$20,000 pay increase.

The board congratulated Ms. Kilgore on her evaluation.

With no further business to come before the board, the meeting adjourned at 6:07 p.m.

El Paso Central Appraisal District

INVESTMENT REPORT

August 31, 2021

Institution	Type	Issue Date	Maturity Date	Amount	Interest Rate	Interest Earned	Accrued
Wells Fargo	WF Gov MMF Sel		none	1,756,549.24	0.030%	37.30	
Wells Fargo	JP Morgan US Gov		none	169,629.67	0.030%	3.75	
W/F Advisors	WF Gov MMF Inst.		none	275,014.89	0.01%	2.48	
W/F Advisors	WF Treasury Plus M MKT		none	275,014.89	0.01%	2.48	
Wells Fargo	CD	8/23/2021	9/22/2021	1,000,000.00	0.01%		2.22
				3,476,208.69		46.01	2.22

Executive Director/Chief Appraiser

Chief Financial Officer

NOTE TO AUGUST, 2021 FINANCIAL REPORT

Over Budget Line Items:

Building - Janitorial - \$8,654.91	Due to additional supplies to disinfect & sanitize - Covid-19
Building - Improvements - \$38,656.00	Accrued estimate of repair to South East parking lot in 2nd floor.
Postage/Mailing - \$150,601.57	Current fiscal year is reappraisal year & sent notice of appraised value to everybody. Increase in protest caused higher volume of appraisal review board appointments letters, which are certified mailed.
Supplemental Help - \$16,940.19	Additional help keeping areas clean & sanitized during protest season and to cover staff who retired or voluntary left.
Computer Expense - \$3,046.21	Updated IT tools to test & troubleshoot equipment.
Computer - Equipment \$10,093.31	Projectors for classroom and board room.
Books, Publications, Subscription - \$1,533.23	Sales Data of residences report.
Appraisal Review board - \$13,182.08	Increase in protests.

Total fiscal year budget is positive. EPCAD expects to have funds left over to return to Taxing Entities.

Encumbered Funds:

-	Litigation Reserve Bal. 10-1-2020	429,826.89	
	May	(52,151.26)	
	June	(115,359.18)	
	July	(81,750.81)	
	Aug.	(142,687.02)	37,878.62 Bal



EL PASO CENTRAL APPRAISAL DISTRICT



BALANCE SHEET **August 31, 2021**

Assets

Cash in Bank	1,702,524.92	
Investments	3,476,208.69	
Petty Cash	150.00	
Total Cash		5,178,883.61
Accrued Interest Receivable	2.22	
Prepaid Expenses	74,833.60	74,835.82
Total Current Assets		5,253,719.43

Building	2,354,796.59	
Building Accum Deprec	(910,244.53)	1,444,552.06
Building Refit	637,114.19	
Bldg Refit Accum Deprec	(637,112.19)	2.00
Furniture & Equipment	704,609.03	
Furn & Equip Accum Deprec	(642,747.36)	61,861.67
Computer Equipment	751,256.79	
Computer Equip Accum Deprec	(707,686.95)	43,569.84
Vehicles	535,812.53	
Vehicles Accum Deprec	(190,581.25)	345,231.28
CAMA System	1,378,742.00	
CAMA Sys Accum Deprec	(1,378,738.00)	4.00
Building Improvements	1,798,045.81	
Building Improv Accum Deprec	(1,015,435.79)	782,610.02
Building Equipment	280,835.35	
Build Equip Accum Deprec	(167,686.51)	113,148.84

Total Fixed Assets 2,790,979.71

Deferred Outflow Res-Pension 1,219,843.77

Total Assets 9,264,542.91

Liabilities and Fund Balance

Accounts Payable	368,037.64
Accrued Expenses	117,211.63
Accrued Payroll Payable	858,430.18
TCDRS Payable	99,251.83
Dep. Personal Life Ins & Cobra	239.43
Cafeteria 125	(99.96)

Total Current Liabilities 1,443,070.75

TCDRS Net Pension Liability	383,402.00
Deferred Inflow Res-Pension	1,075,219.00
TCDRS Expense-Allowance	1,104,359.37

TOTAL LIABILITIES 4,006,051.12

Reserved Encumbrance 37,878.62
Fund Balance 5,220,613.17

TOTAL LIABILITIES AND FUND BALANCE 9,264,542.91


EL PASO CENTRAL APPRAISAL DIST
REPORT OF REVENUES, EXPENDITURES AND CHANGES IN CASH BALANCE
For Month Ending August 31, 2021

	August	YTD	YTD Budget	Variance
Revenues				
Revenues from Taxing Entities	0.00	16,032,786.53	16,032,786.53	0.00
Interest Income	48.23	1,652.22	1,600.00	52.22
Miscellaneous Income	256.88	2,687.85	2,500.00	187.85
Rendition Penalty Income	2,015.34	87,403.26	80,000.00	7,403.26
Total Revenue	2,320.45	16,124,529.86	16,116,886.53	7,643.33
EXPENDITURES				
Wages and Salaries	637,708.25	7,099,762.26	7,131,520.58	31,758.32
Payroll Related Expenses	158,805.02	1,842,080.58	1,958,624.57	116,543.99
Payroll tax-mandatory	71,667.07	828,884.94	874,522.23	45,637.29
Computer Expense	3,186.68	13,046.21	10,000.00	(3,046.21)
Software, Support, Licensing	25,683.19	714,716.47	862,766.37	148,049.90
Vehicles - Insurance	0.00	12,522.44	14,000.00	1,477.56
Vehicles - Gas/Oil/Maintenance	2,062.21	23,233.05	28,000.00	4,766.95
Building - Utilities	15,890.36	145,332.53	311,750.00	166,417.47
Building - Maintenance	13,392.50	113,592.17	121,558.39	7,966.22
Building - Janitorial	0.00	15,794.91	7,140.00	(8,654.91)
Building - Improvements	38,656.00	38,656.00	0.00	(38,656.00)
Assets - Furniture	16,795.50	17,738.73	18,000.00	261.27
Assets - Computer Equipment	7,200.00	31,093.31	21,000.00	(10,093.31)
F/E - Lease	20,381.43	208,420.03	223,773.23	15,353.20
F/E - Maintenance	3,763.85	76,258.66	95,000.00	18,741.34
Small Furn & Equip	23,777.93	40,561.26	48,000.00	7,438.74
Paper, supplies, etc	7,067.18	52,182.54	60,032.08	7,849.54
Printing	141.00	17,575.44	30,461.81	12,886.37
Advertising Req. by Law	0.00	12,118.62	20,100.00	7,981.38
Advertising Other	2,192.03	23,579.07	35,109.75	11,530.68
Postage/Mailing	6,832.45	327,168.07	176,566.50	(150,601.57)
Education, dues	34,868.27	109,512.34	139,185.33	29,672.99
Bonding/General Insurance	0.00	25,764.78	27,531.00	1,766.22
Audit & Consultation	0.00	16,186.00	21,974.17	5,788.17
Chief Appraiser-Education, dues	2,051.32	6,657.49	11,500.00	4,842.51
BOD - Education	0.00	1,125.00	5,666.67	4,541.67
Books, Publications, Subscrip'tn	5,049.99	18,483.73	16,950.50	(1,533.23)
Legal Fees	142,687.02	891,948.27	500,000.00	(391,948.27)
Arbitration	750.00	11,500.00	20,354.17	8,854.17
Appraisal Review Board	38,125.00	348,382.08	335,200.00	(13,182.08)
Taxpayer Liaison Officer-Expen	1,392.12	4,121.30	5,000.00	878.70
Professional Services	50,140.26	869,563.53	895,000.00	25,436.47
Supplemental Help/Temps	8,415.67	68,140.19	51,200.00	(16,940.19)
Interest Expense	0.00	0.00	0.00	0.00
Contingency Fund	0.00	0.00	0.00	0.00
Encumbered Fund -Litigation	(142,687.02)	(391,948.27)	0.00	391,948.27
Total Expenditures	1,195,995.28	13,633,753.73	14,077,487.35	
Excess Revenue over Expenditures		<u>2,490,776.13</u>		



Walter Miller, Chair
El Paso Central Appraisal District
Board of Directors

ATTEST:



Eduardo Mena, Secretary
El Paso Central Appraisal District
Board of Directors
Date Approved: 11/18/2021