



Minutes from November 16, 2017

The El Paso Central Appraisal District Board of Directors held its regular meeting on Thursday, November 16, 2017, at 5:30 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 (5) members present.

1. Jerry Romero
2. Benjamin Morales
3. Mike Rosales
4. Chuck Taylor
5. Joyce Wilson

6. Vincent Perez joined the meeting at 5:42 p.m.

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

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. Kilgore stated that no one had signed up to make public comment.

ACTION AGENDA ITEM 2 – APPROVAL AND SIGNING OF MINUTES FROM SEPTEMBER 21, 2017 MEETING

Mr. Morales made a motion to approve the September 21, 2017 Minutes as presented; Mr. Taylor seconded; the vote was called and approved.

ACTION AGENDA ITEM 3 - REVIEW & APPROVAL OF FINANCIAL REPORTS FOR AUGUST, 2017 AND SEPTEMBER, 2017

Mr. Romero stated that the September, 2017 report will be presented after the audit is completed.

Ms. Rosa Goldmann, EPCAD Chief Financial Officer, presented the financial report for August 2017. EPCAD's financial reports contain the balance sheet; report of revenues, expenditures, and changes in cash balance (in actual-to-budget); the investment report; and the notes to the financial report.

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Ms. Goldmann stated that EPCAD has \$47,464.02 in the Litigation Reserve and \$1,791.12 in the Strategic Plan Reserve. EPCAD's Supplemental/Temps account is \$2,305.80 over budget due to retiree vacancies.

Ms. Goldmann distributed an additional sheet to reflect the correct variance total of \$49,669.

Mr. Romero asked why the asset line item was over budget.

Ms. Goldmann stated that EPCAD is utilizing the encumbered funds from the previous fiscal year for the current fiscal year. The Litigation line item has been depleted and EPCAD is resorting to the reserve funds.

Ms. Dinah L. Kilgore, EPCAD Executive Director/Chief Appraiser, stated that in 2017 the Strategic Plan will be incorporated into the budget.

Ms. Wilson made a motion to approve the August 17, 2017 Financial report as presented; Mr. Morales seconded; the vote was called and approved.

**AGENDA ITEM 4 - MONTHLY HEALTH BENEFIT AND DENTAL INSURANCE PLAN
REPORT FOR SEPTEMBER, 2017**

Ms. Goldmann presented the Health and Dental Insurance Plan Report for September, 2017.

The September activity is as follows:

- Deposits: \$86,194.84
- Other Expenses: \$0.00
- Claims Paid: \$83,830.51
- Balance: \$626,483.40

The October activity is as follows:

- Deposits: \$87,561.79
- Other Expenses: \$0.00
- Claims Paid: \$119,039.78
- Balance: \$595,005.41

This concluded Ms. Goldmann's report.

Ms. Kilgore stated that Ms. Gabrielle Melendez, Chief Human Resource Officer, could provide a brief update on the previous fiscal year activity with Texas Municipal League [TML].

Mr. Romero asked the Board if they would like an update. The board unanimously decided it was not necessary.

Ms. Kilgore concluded that TML offers short turn around, employees are pleased, and EPCAD is in its second year of a three-year contract with them.

AGENDA ITEM 5 - DISCUSSION REGARDING EPCAD EMPLOYEE VISION PLAN OPTION

Ms. Kilgore informed the Board that Mr. Mike Dennis of Compass Benefits was present to provide information and answer questions on the volunteer employee vision plan option. The vision insurance plan has already been in effect and 81% percent of employees currently participate in the vision plan. Ms. Kilgore turned the floor to Mr. Dennis.

Mr. Dennis provided the Board with a packet on their findings and suggestions and stated that in January 1, 2018 the employee vision plan with Superior Vision will increase by 4%. The vision plan is a voluntary program in which employees can participate and pay on their own.

Mr. Dennis continued with the particular features of each product.

ESP

- Provides a larger network; and
- Cost 30% higher

Superior Vision

- Strong network;
- Competitive rates;
- Offers a four-year price guarantee; and
- Has a monopoly in El Paso market

Mr. Dennis thanked the Board.

Ms. Kilgore informed the Board that no action was required since it is an employee volunteer plan.

ACTION AGENDA ITEM 6 - DISCUSSION AND POSSIBLE ACTION REGARDING THE DESIGNATION OF A VOTING DELEGATE AND ALTERNATE TO ATTEND THE 2018 TEXAS ASSOCIATION OF APPRAISAL DISTRICTS (TAAD) CONFERENCE

Mr. Romero stated that this item would be deferred until all the entities make their representative appointment or reappointments to the EPCAD Board.

ACTION AGENDA ITEM 7 - DISCUSSION AND POSSIBLE ACTION REGARDING PRINTER MAINTENANCE AGREEMENT

Mr. David Stone, EPCAD Assistant Chief Appraiser, stated that EPCAD currently has a printer maintenance agreement with Dahill, which is a subsidiary of Xerox. Dahill currently provides all the toners and maintenance to the printers. EPCAD has a three-year relationship with Dahill and has been overall satisfied with their performance. Dahill's contract has expired and EPCAD needs to select a provider for printer maintenance.

Staff obtained three price quotes from the following: Spectrum Technologies, D & F Copier Services, and Dahill.

Mr. Stone continued with the particular features of each product.

Spectrum Technologies

- Monthly estimate of \$3,581.00

D & F Copier Services

- Monthly estimate of \$4,250.00

Dahill

- Lowest monthly estimate of \$3,478.00;
- Offered to replace printers five or more years old;
- Will utilize original (OEM) printer cartridges; and
- Listed on the DIR State of Texas contract listing.

EPCAD staff recommends Dahill for another three (3) year contract because it falls within EPCAD's budget, they will replace HP printers to Brother printers, will use original printer cartridges, and is on the DIR State of Texas contract listing.

Mr. Romero asked for the prior contract price.

Mr. Stone stated it was either \$32,000.00 or \$33,000.00 for three (3) year agreement.

Mr. Stone further stated that EPCAD budgeted for the printer maintenance agreement in the current budget year at \$46,000.00.

Ms. Wilson made a motion to approve Dahill printer maintenance agreement; Mr. Rosales seconded; the vote was called and approved.

ACTION AGENDA ITEM 8 - DISCUSSION AND POSSIBLE ACTION REGARDING THE DECEMBER, 2017 BOARD OF DIRECTORS' MEETING

Ms. Kilgore informed the Board that historically the Board does not meet in December. She further stated that EPCAD meets at least once each calendar quarter as required by the Property Tax Code. Ms. Kilgore requested to cancel December, 2017 Board of Directors' meeting.

Mr. Rosales made a motion to approve the cancellation of the December 2017 board meeting; Mr. Morales seconded; the vote was called and approved.

ACTION AGENDA ITEM 9 - DISCUSSION AND POSSIBLE ACTION REGARDING EPCAD'S PROPOSED 2018 HOLIDAY SCHEDULE

Ms. Kilgore informed the Board that the 2018 proposed holiday schedule has fourteen (14) holidays.

Ms. Wilson inquired if the proposed holiday schedule consists of Federal holidays.

Ms. Kilgore stated that the 2018 proposed holidays includes federal holidays.

Ms. Wilson motioned to approve EPCAD's proposed 2018 holiday schedule; Mr. Rosales seconded; the vote was called and approved.

ACTION AGENDA ITEM 10 - DISCUSSION AND POSSIBLE ACTION REGARDING EL PASO COMMUNITY COLLEGE INVOICE

Ms. Kilgore introduced Mr. Fernando Flores, Assistant Vice-President of Budget & Financial Services, at El Paso Community College.

Mr. Flores requested the Board waive the 1st quarter penalty and interest of \$9,678.95 charged on invoice dated September 30, 2017. El Paso Community College produced a check dated September 27, 2017. EPCAD received the check on October 3, 2017. Mr. Flores requested EPCAD waive the penalty and interest because El Paso Community College has never been late in making their payment. EPCAD's administration agreed to accept future payments from El Paso Community College through direct deposit.

Mr. Romero inquired when the invoice was due and when EPCAD received the payment.

Mr. Flores replied that the invoice was due on September 30, 2017, the check was dated September 27, 2017, and EPCAD received the payment on October 3, 2017.

Ms. Wilson stated that a similar situation had come before the Board with another entity in the past and the penalty and interest was waived.

Mr. Romero agreed that the penalty and interest had been waived for El Paso Independent School District.

Mr. Morales concurred on waiving the penalty and interest charged to El Paso Community College because of all the good they provide for the community.

Ms. Kilgore informed the Board that EPCAD is not allowed to waive the penalty and interest without the Board's approval.

Ms. Wilson made a motion to waive the penalty and interest from El Paso Community College's invoice; Mr. Rosales seconded; the vote was called and approved.

ACTION AGENDA ITEM 11 - DISCUSSION & POSSIBLE ACTION REGARDING APPOINTMENT OF APPRAISAL REVIEW BOARD (ARB) CHAIR PERSON AND SECRETARY

Ms. Tracy Carter, EPCAD Taxpayer Liaison Officer, provided the Board an informational packet, which included nomination letters for individuals vying for ARB Chair Person and Secretary.

Ms. Carter stated that Mr. Michael Briggs, current ARB Chair Person, was the only candidate for ARB Chair Person.

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Mr. Rosales made a motion to appoint Mr. Briggs as ARB Chair Person; Mr. Morales seconded; the vote was called and approved.

Ms. Carter further stated that Ms. Alma Barraza, Ms. Judith Franco, Mr. Earl Maxon, and Mr. Cristoval Rodriguez are the candidates for ARB Secretary.

The Board asked Ms. Alma Barraza, Ms. Judith Franco, Mr. Earl Maxon, and Mr. Cristoval Rodriguez some questions.

The Board recessed into Executive Session at 6:04 p.m.

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

The Board returned to open session at 6:14 p.m.

Mr. Taylor made a motion to appoint Ms. Alma Barraza as Secretary; Ms. Wilson seconded; the vote was called and approved.

AGENDA ITEM 12 - TAXPAYER LIAISON REPORT

Ms. Carter reported that 43 applications had been received to fill 15 vacant Appraisal Review Board (ARB) positions.

Ms. Carter reported that Administrative Judge Maria Salas-Mendoza appointed, in total, twenty-two (22) members; twelve (12) were re-appointed, one (1) had prior ARB experience, and nine (9) as new ARB members. The list of these individuals was included in the information packet.

Ms. Kilgore stated that Ms. Salas-Mendoza appointed twenty-two (22) members plus ten (10) alternates.

Ms. Carter stated that the State Comptroller's Property Tax Assistance Division requires the Taxpayer Liaison Officer to provide them with property owner comments and suggestions. The results from the survey are scheduled to be available by the end of January, 2018.

The ARB will be in session to hear late protests from December 4 -7, 2017.

AGENDA ITEM 13 - CHIEF APPRAISER REPORT

Ms. Kilgore congratulated Mr. James E. Thompson, Director of Appraisal Services, for being appointed to advise the Comptroller of Public Accounts on conducting the Property Value Study (PVS) and scoring the Methods and Assistance Program (MAP).

Mr. Romero inquired how long Mr. Thompson would serve in his new capacity.
Ms. Kilgore stated that Mr. Thompson would serve until replaced.

Ms. Kilgore informed the Board that taxpayer, Mr. Holguin, had informed her that EPCAD provides great customer service and assistance. He recommended EPCAD provide customer service training to other organizations.

Mr. Taylor stated the public should be made aware of the positive feedback EPCAD receives.

Ms. Kilgore agreed.

Ms. Kilgore informed the Board that Business Personal Property Renditions will be due April 1, 2018.

Ms. Kilgore further stated that in January 2018 and March 2018, EPCAD will publish announcements in the El Paso Times and in El Diario to inform taxpayers about the deadlines and remind the public that they can file for exemptions free without the use of a paid professional.

Ms. Kilgore informed the Board that 2018 is a reappraisal year.

EPCAD has informed local entities and surrounding area appraisal districts of courses EPCAD offers.

Preliminary results from the Methods Assistance Program (MAPs) is that EPCAD met all the requirements and passed. Officially, the MAPS report will be available in January, 2018.

The Board recessed into Executive Session at 6:23 p.m.

AGENDA ITEM 14 - EXECUTIVE SESSION UNDER THE AUTHORITY OF TEX.GOV'T. CODE § 551.07 & 551.074 TO DISCUSS LEGAL & PERSONNEL MATTERS

A. CHIEF APPRAISER EVALUATION		
B. THE FOUNTAINS AT FARAH LP	VS. EPCAD	Cause No. 2014DTX0603
C. EPCAD	VS. HAWKINS & I-10 ACQUISITION Co. LP	Cause No. 2015DTX1142
D. EPCAD	VS. HAWKINS & I-10 ACQUISITION	Cause No. 2016DTX0495
E. THE FOUNTAINS AT FARAH, LP	VS. EPCAD	Cause No. 2017DTX0087
F. THE FOUNTAINS AT FARAH, LP	VS. EPCAD	Cause No. 2017DTX0448

ACTION AGENDA ITEM 15 - DISCUSSION AND POSSIBLE ACTION REGARDING A-F AS LISTED IN PREVIOUS ITEM

The Board thanked Ms. Kilgore for her well-done work and Mr. Romero stated he would like to meet with her later to go through next year's plan.

Ms. Wilson made a motion to accept the proposed settlement on B-F as presented; Mr. Rosales seconded; the vote was called; and the motion carried.

With no further business to come before the Board, the meeting adjourned at 7:34 p.m.

The next EPCAD Board of Directors' meeting is scheduled for January 18, 2018 at 5:00 p.m.



BALANCE SHEET
7/31/2017

Assets

Cash in Bank	687,882.49		
Investments	5,106,513.06		
Petty Cash	<u>150.00</u>		
Total Cash		5,794,546.55	
Accrued Interest Receivable	3,393.50		
Prepaid Expenses	<u>31,934.52</u>	35,328.02	
Total Current Assets			5,829,873.57
Building	2,354,796.59		
Building Accum Deprec	(766,838.32)	1,587,958.27	
Building Refit	637,114.19		
Bldg Refit Accum Deprec	(637,112.19)	2.00	
Furniture & Equipment	664,246.98		
Furn & Equip Accum Deprec	(532,071.54)	132,174.44	
Computer Equipment	886,890.57		
Computer Equip Accum Deprec	(756,648.89)	130,241.68	
Vehicles	341,204.28		
Vehicles Accum Deprec	(254,866.00)	86,338.28	
CAMA System	1,378,742.00		
CAMA Sys Accum Deprec	(1,378,738.00)	4.00	
Building Improvements	1,534,661.06		
Building Improv Accum Deprec	(683,795.20)	850,865.86	
Building Equipment	154,057.32		
Build Equip Accum Deprec	(104,622.00)	49,435.32	
Total Fixed Assets			2,837,019.85
Deferred Outflow Res-Pension			<u>1,068,987.68</u>
Total Assets			<u>9,735,881.10</u>

Liabilities and Fund Balance

Accounts Payable	132,699.04		
Accrued Expenses	111,732.85		
Accrued Payroll Payable	784,976.52		
Payroll Taxes Payable	34,746.51		
TCDRS Payable	92,052.73		
Dep. Personal Life Ins & Cobra	<u>(135.24)</u>		
Total Current Liabilities		1,156,072.21	
TCDRS Net Pension Liability		1,052,344.00	
Deferred Inflow-Res-Pension		869,019.00	
TCDRS Expense-Allowance		<u>240,373.28</u>	
TOTAL LIABILITIES			3,317,808.49
Reserved Encumbrance			137,910.91
Fund Balance			<u>6,280,161.70</u>
TOTAL LIABILITIES AND FUND BALANCE			<u>9,735,881.10</u>

EL PASO CENTRAL APPRAISAL DIST
REPORT OF REVENUES, EXPENDITURES AND CHANGES IN CASH BALANCE
For Month Ending 7/31/2017

	July	YTD	YTD Budget	Variance
Revenues				
Revenues from Taxing Entities	19,712.65	14,279,288.80	14,279,288.80	0.00
Interest Income	4,821.46	25,644.55	15,000.00	10,644.55
Miscellaneous Income	839.77	5,414.29	4,200.00	1,214.29
Rent/In Penalty Income	1,186.13	61,701.81	26,600.00	35,201.81
Total Revenue	26,159.90	14,372,049.45	14,324,988.80	17,988,368.30
EXPENDITURES				
Wages and Salaries	556,388.34	5,865,925.35	5,954,466.73	88,541.38
Payroll Related Expenses	139,985.97	1,440,542.92	1,526,481.98	85,939.04
Payroll tax-mandatory	63,128.40	669,938.59	713,466.41	53,517.82
Computer Expense	0.00	905.77	3,425.00	2,519.23
Software, Support, Licensing	51,331.73	518,765.04	538,765.04	20,000.00
Vehicles - Insurance	0.00	8,976.22	8,300.00	(676.22)
Vehicles - Gas/Oil/Maintenance	18,004.66	48,884.93	48,884.93	0.00
Building - Utilities	19,029.12	146,042.97	201,782.00	55,739.03
Building - Maintenance	9,361.89	81,929.49	97,458.00	15,528.51
Building - Janitorial	128.30	4,090.73	5,535.00	1,444.27
Assets	0.00	206,667.28	27,929.00	(178,738.28)
F/E - Lease	12,152.57	122,668.98	122,673.78	4.80
F/E - Maintenance	5,678.48	122,488.35	158,811.99	36,323.64
Small Furn & Equip	1,542.20	27,974.62	27,983.38	8.76
Paper, supplies, etc	4,857.76	43,551.27	65,200.00	21,648.73
Printing	329.00	10,437.60	24,851.60	14,414.00
Advertising	410.29	34,823.30	44,211.91	9,388.61
Postage/Mailing	12,298.28	69,525.90	127,010.00	57,484.10
Education, dues	4,548.96	94,736.15	105,187.53	10,451.38
Bonding/General Insurance	0.00	17,150.58	18,551.36	1,400.78
Audit & Consultation	0.00	15,600.00	22,400.00	6,800.00
Chief Appraiser-Education,dues	645.87	11,319.52	11,673.65	354.13
BOD - Education	0.00	2,371.16	4,351.18	1,980.00
Books, Publications, Subscrip'n	125.77	5,144.84	12,715.00	7,570.16
Legal Fees	40,654.18	1,013,350.81	330,000.00	(683,350.81)
Arbitration	0.00	1,300.00	18,450.00	17,150.00
Appraisal Review Board	71,300.00	214,375.00	250,050.00	35,675.00
Taxpayer Liaison Officer-Expn	4,000.00	29,573.93	34,537.97	4,964.04
Professional Services	98,504.24	899,877.65	947,193.02	47,515.37
Supplemental Help/Temps	2,725.80	27,645.04	26,353.60	(1,291.44)
Interest Expense	0.00	0.00	0.00	0.00
Contingency Fund	0.00	120,000.00	120,000.00	0.00
Encumbered Fund - Strategic	0.00	(178,738.28)	0.00	178,738.28
Encumbered Fund - Legal	(40,854.18)	(683,350.81)	0.00	683,350.81
Total Expenditures	1,074,477.63	11,004,294.88	11,598,690.00	
Excess Revenue over Expenditures		<u>3,367,754.57</u>		

El Paso Central Appraisal District

INVESTMENT REPORT

JULY 31, 2017

Institution	Type	Issue Date	Maturity Date	Amount	Interest Rate	Interest Earned	Accrued
Wells Fargo	WF Gov MMF Sel		none	348,083.39	0.880%	984.61	
Wells Fargo	JP Morgan US Gov		none	162,076.75	0.870%	119.44	
Wells Fargo	FHDN	7/6/2017	8/8/2017	1,498,826.00	1.000%		1,040.75
Wells Fargo	FHDN	7/6/2017	9/1/2017	1,387,727.92	1.025%		995.00
Compass	CD	7/6/2017	10/4/2017	1,700,000.00	1.150%		1,357.75
				5,106,513.06		1,084.05	3,393.50

Executive Director/Chief Appraiser

Richard T. Higgins

Chief Financial Officer

Rosa Goldman

NOTE TO JULY, 2017 FINANCIAL REPORT

Over budget: Supplemental/Temps: \$1,291.44 over this month due to retiree vacancies.

Contingency: \$120,000.00 was approved at BOD meeting October 20, 2016 for LexisNexus expense in Professional Services.

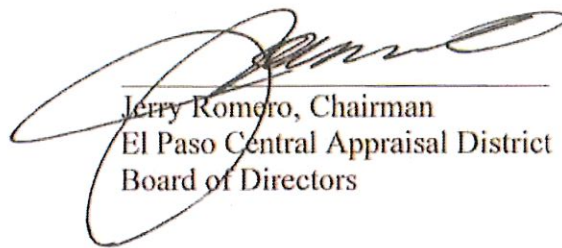
Encumbered Funds:

-	Litigation Reserve		800,000.00	
		Dec, 2016	(60,286.45)	
		Jan, 2017	(129,700.67)	
		Feb, 2017	(143,689.66)	
		Mar, 2017	(65,983.45)	
		April, 2017	(67,000.59)	
		May, 2017	(140,574.24)	
		June, 2017	(45,461.57)	
		July, 2017	(40,664.18)	116,649.19 Bal
-	Strategic Plan Reserve		200,000.00	
	vehicles	June, 2017	(68,738.28)	
	lighting	June, 2017	(110,000.00)	21,261.72 Bal

Health and Dental Insurance Plan

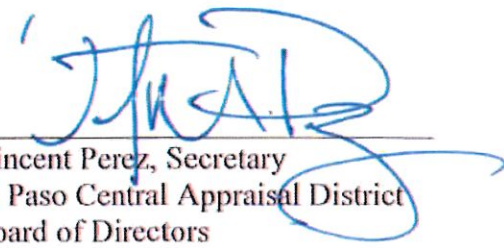
Texas Municipal League (TML)

	Deposits	Assured Benefits Administrators		Other Expenses	Claims Paid	Balance
2016 September	100,000.00			89.80	0.00	99,910.20
October	83,699.07			0.00	0.00	183,609.27
November	85,656.60			0.00	0.00	269,265.87
December	86,073.42			0.00	26,391.06	328,948.23
2017 January	85,955.98			0.00	94,573.41	320,330.80
February	86,475.53	239,306.10	Reserve	0.00	74,984.62	571,127.81
March	86,420.57	5,631.11	Stop-Loss	0.00	89,195.22	573,984.27
April	86,267.53			0.00	65,982.47	594,269.33
May	86,834.98			0.00	83,564.76	597,539.55
June	82,558.16			0.00	54,210.10	625,887.61
July	86,589.82			0.00	77,418.08	635,059.35
August	86,854.54			0.00	97,794.82	624,119.07



Jerry Romero, Chairman
El Paso Central Appraisal District
Board of Directors

ATTEST:



Vincent Perez, Secretary
El Paso Central Appraisal District
Board of Directors