

**MINUTES
BOARD OF DIRECTORS
GONZALES CENTRAL APPRAISAL DISTRICT
September 21, 2023**

The Board of Directors of the Gonzales Central Appraisal District met on Thursday, September 21, 2023 at the appraisal district office located at 1709 E. Sarah Dewitt Drive, Gonzales, Texas. Board members present were Sue Gottwald, Craig Hines, Sandra Gorden and Bud Box. Also present were John Liford, Chief Appraiser, Nick Rapoza, Deputy Chief Appraiser and Sherian Cleveland, Recording Secretary.

Sue Gottwald, Vice-Chairman, declared a quorum and called the meeting to order at 5:30 pm.

The minutes of the August 10, 2023 board meeting were approved upon motion by Craig Hines and seconded by Sandra Gorden. The motion passed by unanimous vote.

The financial reports for the month of July and August were reviewed with the Board. For the month of July, Mr. Liford reported that the district was under budget for the month by \$31,439.66 and under budget year to date by \$150,823.88. For the month of August, Mr. Liford reported that the district was over budget for the month by \$9,405.47 and under budget year to date by \$142,140.51. Bud Box motioned to approve the financial reports as presented. Sandra Gorden seconded the motion. The motion passed by unanimous vote.

Craig Hines reported that all checks presented have been signed.

There were no public comments.

Following discussion, Bud Box motioned to set the date to open depository bids at the next regular board meeting to be held on October 19, 2023 at 5:30 p.m. Craig Hines seconded the motion. The motion passed by unanimous vote.

Following discussion, Bud Box motioned to set the date to open computer system lease/license agreement bids at the next regular board meeting to be held on October 19, 2023 at 5:30 p.m. Craig Hines seconded the motion. The motion passed by unanimous vote.

Discussion was held on increasing the minimum of checks requiring two signatures. Mr. Liford stated that the current minimum is \$1,000.00. Following further discussion, Craig Hines motioned that any checks above \$3,500.00 be required to have two signatures. Bud Box seconded the motion. The motion passed by unanimous vote.

Discussion was held on the Banking Resolution. Mr. Liford stated the wording stated "any two signatures" and since the Deputy Chief Appraiser was added for authority to sign checks, he did not think the Board would want both the Chief Appraiser and Deputy Chief Appraiser for the two signatures. It was the consensus of the Board to have either the Chief Appraiser or the Deputy Chief Appraiser and one Board member for the two

signatures. At this time Bud Box motioned to adopt Banking Resolution No. 399. Sandra Gorden seconded the motion. The motion passed by unanimous vote.

Discussion was held on the revisions to the Investment Policy for 2023. Mr. Liford also informed the Board that he is checking to see if the appraisal district is allowed to invest reserve funds. Sandra Gorden motioned to adopt Resolution No. 400, approving the Revised Investment Policy for 2023. Bud Box seconded the motion. The motion passed by unanimous vote.

Mr. Liford informed the Board that additional filing cabinets were needed for the office and a transfer of \$600.00 to capital expense would be necessary. Craig Hines motioned to transfer \$600.00 from the budget category of "Unforeseen Contingencies" to the budget category of "Capital Expense". Bud Box seconded the motion. The motion passed by unanimous vote.

Mr. Liford informed the Board that the processing of the postcards as required by the Comptroller's office was more than anticipated and requested an additional \$500.00 be transferred for this purpose. Bud Box motioned to transfer \$500.00 from the budget category of "Unforeseen Contingencies" to the budget category of "P & A Processing Postcards/Tax Related Info". Sandra Gorden seconded the motion. The motion passed by unanimous vote.

Mr. Liford reported that the appraisers are working in the field and one of the new appraisers finished their first class and will be taking another course this year. Mr. Liford reported that he and Mr. Rapoza took the Public Funds Investment Act course and all Registered Professional Appraisers will be attending the Texas Rural Chief Appraisers Conference later this month for continuing education credits.

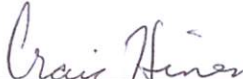
Mr. Liford also reported that currently the district has twelve arbitrations, one SOAH and three lawsuits on property valuation.

Mr. Liford further reported that the notices have been sent to the voting taxing entities asking for nominees for the upcoming Board of Director's election and stated some nominees have been submitted to the district and the deadline for submitting nominees is October 15th.

As there was no further business at this time, the meeting was adjourned.


Chairman, Board of Directors

Attest:


Secretary, Board of Directors

STATE OF TEXAS

COUNTY OF GONZALES

RESOLUTION NO. 399

GONZALES CENTRAL APPRAISAL DISTRICT

P.O. Box 867, 1709 E. Sarah Dewitt Drive, Unit B, Gonzales, TX 78629

RESOLUTION OF THE BOARD OF DIRECTORS OF THE GONZALES CENTRAL APPRAISAL DISTRICT, TO ADOPT BANKING RESOLUTION

A. We herein certify that we are the Board of Directors of the Gonzales Central Appraisal District, a Political subdivision of the State of Texas, and that the following is a correct copy of a resolution adopted at a meeting of the Board of Directors of the Gonzales Central Appraisal District duly and properly called and held on September 21, 2023. This resolution modifies and replaces Banking Resolution No. 321.

B. BE IT RESOLVED BY THE BOARD OF DIRECTORS THAT,

(1.) A financial institution designated as depository for the funds of this appraisal district as per the terms of the Bid for Banking Services shall be approved by the Gonzales Central Appraisal District Board of Directors by a separate resolution. Pursuant to Section 6.09(c) of the Texas Property Tax Code, said resolution shall remain in full force and effect until express written notice of its rescission, supplementation or modification has been received by the financial institution designated as depository therein.

(2.) Any of the persons named below may make any and all other contracts, agreements, stipulations and orders which the Board of Directors of the Gonzales Central Appraisal District may deem advisable from time to time with the aforesaid financial institution, subject to any restrictions stated below and upon written authorization of the Board of Directors of the Gonzales Central Appraisal District.

(3.) Any and all resolutions adopted by the Board of Directors of the Gonzales Central Appraisal District and certified to the aforesaid financial institution as governing the operation of the account(s) of the Gonzales Central Appraisal District, are in full force and effect unless rescinded, supplemented or modified by this authorization.

(4.) The Gonzales Central Appraisal District agrees to the terms and conditions of any account agreement, property executed by any authorized representative(s) of the Gonzales Central Appraisal District and authorizes the aforesaid financial institution, at any time, to charge the Gonzales Central Appraisal District for checks, drafts, or other orders for the payment of money that are drawn on the Gonzales Central Appraisal District, regardless of by whom the authorizing signatures may have been affixed so long as they resemble the signature specimens as provided in Account Agreement or in subsequent resolutions approved by the Board of Directors of the Gonzales Central Appraisal District and provided to the aforesaid financial institution as may be required from time to time to change an authorized signatory.

C. BE IT RESOLVED BY THE BOARD OF DIRECTORS THAT,
Any officer, member, Chief Appraiser or Deputy Chief Appraiser of the Gonzales Central Appraisal District listed below (subject to any restriction indicated) is authorized to:

- (1.) Open an interest bearing operating account or any other account as authorized in the Gonzales Central Appraisal District investment policy.
- (2.) Endorse checks and orders for the payment of money for deposit with the aforesaid financial Institution.
- (3.) Withdraw funds from the aforesaid operating account up to the amount of \$ 3500.00.
Withdrawal of funds from the aforesaid operating account in excess of \$ 3500.00 shall require the signatures of any two of the officers listed below.

- A. One officer or member of the Board of Directors and either the Chief Appraiser or Deputy Chief Appraiser
 - B. Two officers or members of the Board of Directors.
- (4.) Withdraw funds from any other account per Board authorization.

NAME	TITLE
<u>John H. Liford</u>	<u>Chief Appraiser</u>
<u>Craig Lynn Hines</u>	<u>Secretary, Board of Directors</u>
<u>Sue Hutchings Gottwald</u>	<u>Vice-Chair, Board of Directors</u>
<u>Joseph Nicholes Rapoza</u>	<u>Deputy Chief Appraiser</u>

D. I further certify that the Board of Directors of the Gonzales Central Appraisal District has, at the time of the adoption of this resolution had, full power and lawful authority to adopt the foregoing resolutions and to confer the powers granted to the persons named who have full power and lawful authority to exercise the same and that this authorization revokes any prior authorization on file with the aforesaid financial institution.

PASSED AND APPROVED THIS 21st DAY OF September, 2023

Sue Gottwald
Chairman, Board of Directors
Gonzales Central Appraisal District

ATTEST:

Craig Hines
Secretary, Board of Directors
Gonzales Central Appraisal District

STATE OF TEXAS

COUNTY OF GONZALES

RESOLUTION NO. 400

RESOLUTION TO REVISE AND ADOPT INVESTMENT POLICY

FOR THE YEARS 2023-2024

WHEREAS, the Gonzales Central Appraisal District Board of Directors, in order to satisfy the statutory requirements of Government Code Chapter 2256 to review and adopt a written investment policy regarding the investment of funds under the control of the Gonzales Central Appraisal District; and

WHEREAS, the Gonzales Central Appraisal District Board of Directors wishes to comply with the Public Funds Investment Act; and

WHEREAS, the policy as presented this date emphasizes safety of principal and liquidity as its main objectives; and

WHEREAS, the Gonzales Central Appraisal District Board of Directors has reviewed the policy and hereby supports the objectives and strategies of the policy; now, therefore,

BE IT RESOLVED, that the Gonzales Central Appraisal District Investment Policy attached be adopted.

Adopted this 21st day of September, 2023.

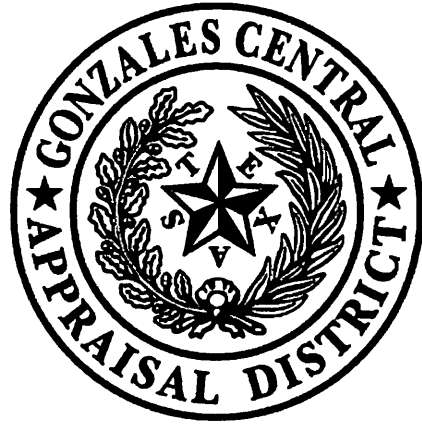


CHAIRMAN, BOARD OF DIRECTORS
Gonzales Central Appraisal District

ATTEST:



SECRETARY, BOARD OF DIRECTORS
Gonzales Central Appraisal District



Gonzales Central
Appraisal District

Investment Policy

(Revised)

2023 - 2024

GONZALES CENTRAL APPRAISAL DISTRICT INVESTMENT POLICY

(I)

INVESTMENT AUTHORITY AND SCOPE OF POLICY

A. GENERAL STATEMENT

The objective of the Gonzales Central Appraisal District Investment Policy shall be to satisfy the statutory requirements of Government Code Chapter 2256 to define and adopt a written investment policy. (See attached: Resolution to Adopt Investment Policy.) This policy will be reviewed and adopted by written resolution not less than annually according to Section 2256.005(e) of said code. Any changes to the investment policy shall be recorded in said resolution. Hereinafter the Gonzales Central Appraisal District will be referred to as the Appraisal District. The Board of Directors of the Gonzales Central Appraisal District will be hereinafter referred to as the Board or the Board of Directors.

B. FUNDS INCLUDED

This investment policy applies to all financial assets of all funds of the Appraisal District, at the present time and any funds to be created in the future and any other funds held in custody of the Appraisal District, unless expressly prohibited by law or unless it is in contravention of any depository contract between the Appraisal District and any depository bank.

C. INVESTMENT OFFICER

In accordance with Government Code Chapter 2256, Section 2256.005(f) and (g), the Chief Appraiser, under the direction of the Board, may invest District funds that are not immediately required to pay obligations of the District. The Board shall designate by resolution one or more officers or employees as investment officer.

If an investment officer has a personal business relationship with a business organization offering to engage in an investment transaction with the District, or is related within the second degree by affinity or consanguinity, as determined under Government Code Chapter 573, to an individual seeking to sell an investment to the District, the investment officer must file a statement disclosing that personal business interest or relationship with the Texas Ethics Commission and the Board in accordance with Government Code Chapter 2256, Section 2256.005(i).

In accordance with Board policy (Resolution No. 399), any financial instrument in excess of the amount set in said resolutions, or any subsequent resolutions, must be approved with two signatures from the following: Board Chair, Board Vice-Chair, Board Secretary, Chief Appraiser or Deputy Chief Appraiser, or other Board member as the Board may authorize.

(II)

INVESTMENT OBJECTIVES

A. GENERAL STATEMENT

Funds of the District will be invested in accordance with federal and state laws, this investment policy and written administrative procedures. The Appraisal District will invest according to investment strategies for each fund as adopted by Board resolution in accordance with Government Code Chapter 2256, Section 2256.005(d).

B. SAFETY AND LIQUIDITY

Safety of principal is the primary objective in any investment transaction of the Appraisal District. All investment must be done in a prudent manner providing the liquidity necessary to meet the cash needs of the Appraisal District.

C. DIVERSIFICATION

It will be the policy of the Appraisal District to diversify the portfolio of the Appraisal District to eliminate the risk of loss resulting from over concentration of assets with a specific maturity, or within a specific class of investments. Investments selected by the Appraisal District shall always provide for stability of income and reasonable liquidity.

D. YIELD

It shall be the objective of the Appraisal District to earn the maximum rate of return allowed on the investments of said District within the policies imposed by the safety and liquidity objectives of this policy, investment strategies for each fund, and state and federal law governing the investment of public funds.

E. MATURITY

Portfolio maturities will be structured to meet the obligations of the Appraisal District first and secondarily to achieve the highest rate of return. When the Appraisal District has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy for each fund. The maximum allowable stated maturity of any individual investment owned by the Appraisal District will be 180 days, with a weighted average maturity of no more than 120 days for all funds.

F. INVESTMENT STRATEGY

As required by the Public Funds Investment Act, Government Code Chapter 2256, Section 2256.005(d). A separate written investment strategy will be developed for each of the funds or groups of funds under the control of the Appraisal District. Each investment strategy must describe the investment objectives for the particular fund using the following priorities:

1. Understanding of the suitability of the investment to the financial requirements of the Appraisal District;
2. preservation and safety of principal;
3. liquidity;
4. marketability of the investment if the need arises to liquidate the investment before maturity;
5. diversification of the investment portfolio;
6. yield;
7. maturity restrictions.

In accordance with the Public Funds Investment Act, Government Code Chapter 2256, Section 2256.005(e), investment strategies will be reviewed and adopted by resolution not less than annually. The resolution shall record any changes made to the investment strategies.

G. INVESTMENT TRAINING

Pursuant to Government Code Chapter 2256, Section 2256.008, the Appraisal District shall provide investment training for the Appraisal District Investment Officer, in the time and manner prescribed therein.

(III)

INVESTMENT TYPES

A. AUTHORIZED

Consistent with Government Code Chapter 2256, the Appraisal District Investment Officer shall use any of the following investment instruments:

1. Obligations of, or guaranteed by governmental entities
2. Certificates of Deposit and Share Certificates
3. Other investments per said code

B. PROHIBITED

The Appraisal District Investment Officer has no authority to use any of the following investment instruments, which are strictly prohibited:

1. obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. collateralized mortgage obligations that have a stated final maturity date of greater than ten years; and

4. collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index;
5. any other non-approved investment.

(IV)

INVESTMENT RESPONSIBILITY AND CONTROL

A. INVESTMENT INSTITUTIONS DEFINED

The Appraisal District Investment Officer shall invest Appraisal District funds with any or all of the following institutions or groups consistent with federal and state law and the current Depository Bank Contract:

1. Depository financial institution;
2. Other state or national banks domiciled in Texas that are insured by the FDIC;

B. STANDARDS OF OPERATION

The Appraisal District Investment Officer shall develop and maintain written administrative procedures of the investment program consistent with this investment policy.

C. DELIVERY VS. PAYMENT

It will be the requirement of the Appraisal District for settlement of all transactions to be on a delivery versus payment basis.

D. AUDIT CONTROL

The Appraisal District Investment Officer is subject to audit by the Board of Directors. In addition, the Appraisal District will have an annual financial audit of all district funds by an independent auditing firm, as well as an annual compliance audit of management controls on investments and adherence to the established investment policies of the Appraisal District in accordance with Government Code Chapter 2256, Section 2256.005(m).

E. STANDARD OF CARE

In accordance with Government Code Chapter 2256, Section 2256.006, investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority;

1. Preservation and safety of principal;
2. Liquidity;
3. Yield.

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. the investment of all funds, or groups of funds, under the control of the Appraisal District, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
2. whether the investment decision was consistent with the written investment policy of the district.

(V)

INVESTMENT REPORTING

A. QUARTERLY REPORT

In accordance with Government Code Chapter 2256, Section 2256.023, not less than quarterly, the Investment Officer shall prepare and submit to the Board of Directors a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

1. describe in detail the investment position of the district on the date of the report;
2. be prepared jointly by all investment officers of the district;
3. be signed by each investment officer of the district;
4. contain a summary statement, prepared in compliance with generally accepted accounting principles, of each pooled group that states the:
 - (a) beginning market value for the reporting period;
 - (b) additions and changes to the market value during the period; and
 - (c) ending market value for the period;
 - (d) fully accrued interest for the reporting period
5. state the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
6. state the maturity date of each separately invested asset that has a maturity date;
7. state the account, or fund, or pooled group fund, in the district for which each individual investment was acquired; and
8. state the compliance of the investment portfolio on the district as it relates to:
 - (a) the investment strategy expressed in the investment policy of the district and
 - (b) the relevant provisions of Government Code Chapter 2256

If the district invests in other than investment pools, or accounts offered by its depository bank, in the form of certificates of deposit, or similar accounts, the reports prepared by the Investment Officer shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the Appraisal District Board of Directors by that auditor as per Government Code Chapter 2256, Section 2256.023(d).

B. NOTIFICATION OF INVESTMENT CHANGES

It shall be the duty of the Appraisal District Investment Officer to notify the Board of any significant changes in current investment methods and procedures prior to their implementation, whether or not they are authorized by this policy.

(VI)

INVESTMENT COLLATERAL AND SAFEKEEPING

A. COLLATERAL OR INSURANCE

Pursuant to Government Code Chapter 2257, Section 2257.021, The Appraisal District Investment Officer shall insure that all district funds are fully collateralized or insured consistent with federal and state law and the current Depository Contract in one or more of the following manners:

1. FDIC insurance coverage;
2. Obligations of the United States Government or its agencies and instrumentalities.
3. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent
4. Other manners in accordance with said code

For purposes of this policy 'fully collateralized' shall require that the total market value of collateral will equal 102% of time and demand deposits at all times.

B. SAFEKEEPING

All certificates of deposit, insured by the FDIC, purchased outside the Depository shall be held in safekeeping by either the district or a district account in a third party financial institution.

All pledged securities by the Depository Bank shall be held in safekeeping by the district, or a district account in a third party financial institution, or with a Federal Reserve Bank.