

**MINUTES
BOARD OF DIRECTORS
GONZALES CENTRAL APPRAISAL DISTRICT
JANUARY 21, 2021**

The Board of Directors of the Gonzales Central Appraisal District met on Thursday, January 22, 2021 at the appraisal district office located at 1709 E. Sarah Dewitt Drive, Gonzales, Texas. Board members present were Lauren Clampit, Sandra Gorden, Sue Gottwald and Frank "Bud" Box, Jr. Also present were John Liford, Chief Appraiser and Sherian Cleveland, Recording Secretary.

Lauren Clampit, Chairman, declared a quorum and called the meeting to order at 5:30 p.m.

The minutes of the December 17, 2020 meeting were reviewed by the Board. Bud Box motioned to approve the minutes as presented. Sue Gottwald seconded the motion. The motion passed by unanimous vote.

The Board reviewed the financial report for the month of December, 2020. John Liford reported the budget categories that were over the monthly average and stated the district was under budget for the month of December by \$432,652.02. Mr. Liford stated any adjustments will be made after the 2020 audit is completed. Sue Gottwald motioned to approve the financial report as presented. Bud Box seconded the motion. The motion passed by unanimous vote.

The investment transaction quarterly report for the quarter ending December 31, 2020 was reviewed by the Board. Mr. Liford stated the beginning balance on October 1, 2020 was \$1,615,579.69 and the ending balance on December 31, 2020 was \$1,591,802.25. The interest rate for the quarter was .75%, reflecting interest earned for the quarter to be \$2,834.03.

There was no report from the Secretary.

There were no Public Comments.

The Board approved the transfer of \$200.00 from the category of "Mapping" to the category of "Pictometry" upon motion by Sue Gottwald and seconded by Sandra Gorden. The motion passed by unanimous vote.

John Liford reviewed with the Board the contracts/agreements currently in effect with the Gonzales Central Appraisal District. Bud Box motioned to approve the ratification of all contracts/agreements as presented. Sue Gottwald seconded the motion. The motion passed by unanimous vote.

Following discussion, Sue Gottwald motioned to approve the evaluation and renewal of the Chief Appraiser's contract for 2021 as stated in the employment agreement, correcting the wording for payment as bi-weekly to bi-monthly. Bud Box seconded the motion. The motion passed by unanimous vote.

The Board adopted Resolution #380, approving the investment policy for the Gonzales Central Appraisal District upon motion by Sue Gottwald and seconded by Bud Box. The motion passed by unanimous vote.

The Board adopted Resolution #381, appointing John Liford as investment officer, upon motion by Bud Box and seconded by Sue Gottwald. The motion passed by unanimous vote.

Discussion was held on the appointment of a member of the Board of Directors to serve on the appraisal district's sick leave pool committee. Mr. Liford stated that there would be five members, four from the appraisal district and one Board member. Sue Gottwald motioned to appoint Sandra Gorden as a member of the sick leave pool committee. Bud Box seconded the motion. The motion passed by unanimous vote.

The corrections to the appraisal roll were submitted to the Board in compliance with Section 25.25(b), Texas Property Tax Code.

Mr. Liford reported that Pritchard & Abbott was working in the County for appraisal of the industrial properties.

Mr. Liford also reported the Comptroller has set a date of May 5th for Appraisal Review Board training and he hoped to sign the Board up for an earlier session if one is offered by the Comptroller.

Mr. Liford further reported that the appraisers are finishing up rechecks of properties and the Business Personal Property appraiser is working on the businesses.

As there was no further business at this time, Sue Gottwald motioned to adjourn the meeting. Sandra Gorden seconded the motion. The motion passed and the meeting was adjourned.



Chairman, Board of Directors

Attest:



Secretary, Board of Directors

STATE OF TEXAS

COUNTY OF GONZALES

RESOLUTION NO. 380

GONZALES CENTRAL APPRAISAL DISTRICT

1709 E. Sarah Dewitt Drive, Unit B

Gonzales, Texas 78629

RESOLUTION TO ADOPT INVESTMENT POLICY

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 investments 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,

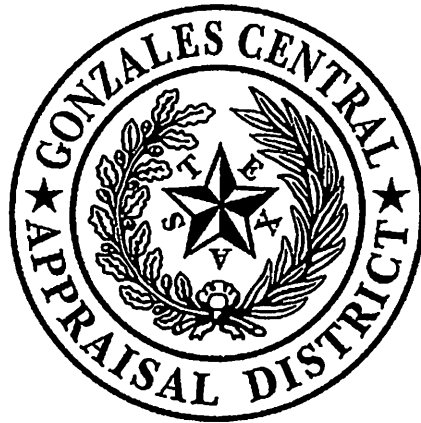
NOW THEREFORE BE IT RESOLVED, that the Gonzales Central Appraisal District Investment Policy attached be adopted.

APPROVED by a majority vote of the Board of Directors, Gonzales Central Appraisal District, on the 21st day of January, 2021.


CHAIRMAN, BOARD OF DIRECTORS
Gonzales Central Appraisal District

ATTEST:


SECRETARY, BOARD OF DIRECTORS
Gonzales Central Appraisal District



Gonzales Central
Appraisal District

Investment Policy

2021 - 2022

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 321), amended by (Resolution 344), 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 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.

STATE OF TEXAS

COUNTY OF GONZALES

RESOLUTION NO. 381

GONZALES CENTRAL APPRAISAL DISTRICT

1709 E. Sarah Dewitt Drive, Unit B

Gonzales, Texas 78629

RESOLUTION OF THE BOARD OF DIRECTORS OF THE GONZALES CENTRAL APPRAISAL DISTRICT APPOINTING INVESTMENT OFFICER.

WHEREAS, the Gonzales Central Appraisal District ("District") is a political subdivision governed by Chapter 2256 of the Government Code, known as the Public Funds Investment Act ("Act"); and

WHEREAS, the District invests public funds, which are subject to the Act; and

WHEREAS, the Act requires the designation of one or more officers or employees of the District as public investment officer.


NOW THEREFORE BE IT RESOLVED that John H. Liford is hereby appointed public investment officer for the District.

APPROVED by a majority vote of the Board of Directors, Gonzales Central Appraisal District, on the 21st day of January, 2021.



CHAIRMAN, BOARD OF DIRECTORS
Gonzales Central Appraisal District

ATTEST:



SECRETARY, BOARD OF DIRECTORS
Gonzales Central Appraisal District