

## **BUDGET NARRATIVE**

The primary function of the Borden County Appraisal District is to provide a timely and accurate appraisal roll for the taxing entities of Borden County while providing quality service to the taxpayers in the most cost-effective manner possible.

The Borden County Appraisal District is supported entirely by the participating taxing entities of Borden County.

The 2020 proposed budget reflects a 5% increase of the 2019 adopted budget. Payroll and all other related expenses project a 4.69% increase. Operating expenses project an \$13,084.00 increase.

The overall summary by account for the 2020 Proposed Budget includes a breakdown of each line item listed below.

### **Contracted Services**

**Audit Services:** 3-year contract with Stephens, Stephens & Telchik. Year 2 of the contract. Independent audit is required by law.

2019: \$6,000.00                      2020: \$6,000.00                      Increase/Decrease: \$0 – 0%

**Real Property Contract:** 3-year contract with Pritchard & Abbott (2019-2021). They appraise the county in 3 different sections, 1 section each year. There is a 3% increase each year of the contract. The increase for 2020 is \$1000.00.

2019: \$33,650.00                      2020: \$34,650.00                      Increase: \$1,000.00 – 2.92%

**Mapping Software Contract:** 2-year contract with Pritchard & Abbott (1/1/2020 thru 12/31/2021). Includes updating parcels and parcel splits, printing maps, scanning maps, system updates and maintenance, etc. There is a \$1,634.00 increase due to the new website and an advanced client private web app.

2019: \$5,000.00                      2020: \$6,134.00                      Increase: \$1,134.00 – 20.37%

**Website Contract:** The contract has been combined with the Real Mass Appraisal Software contract. Therefore, \$4100 has been removed from this line item and added to the CAMA line item.

2019: \$4,100.00                      2020: \$0                      Decrease: \$4,100 – 100%

**Collection Software License:** 2-year contract with Pritchard & Abbott (1/1/2020 thru 12/31/2021). Includes software to collect taxes, generate reports, print receipts, CD's, and have up to 2 users. There is a \$350 increase for 2020.

2019: \$11,400.00                      2020: \$11,750.00                      Increase: \$350.00 – 3.02%

**CAMA Contract:** 2-year contract with Pritchard & Abbott (1/1/2020 thru 12/31/2021). Maintains the Real Estate Appraisal Software, real appraisal reports and notices, CD's, and software license for 2 users. There is a \$550 increase for 2020 plus the additional \$4100 for the Website.

2019: \$16,250.00                      2020: \$20,900.00                      Increase: \$4,650.00 – 25.03%

**MIUP Contract:** 2-year contract with Pritchard & Abbott (1/1/2020 thru 12/31/2021). For the appraisals of Mineral, Industrial, Utility and Personal Properties. There is a \$1950 increase for 2020. There has been an increase in the number of parcels.

2019: \$48,550.00                      2020: \$50,500.00                      Increase: \$1,950.00 – 3.93%

**Appraisal Notices:** Pritchard & Abbott print, fold, stuff and mail notices to the property owners.

2019: \$3,000.000                      2020: \$3,000.00                      Increase/Decrease: \$0 – 0%

**Tax Statements:** Pritchard & Abbott print, fold, stuff and mail tax statements to the property owners. Delinquent tax statements are taken out of this line item as well.

2019: \$6,000.00                      2020: \$6,000.00                      Increase/Decrease: \$0 – 0%

**Legal Services:** Designated for attorney fees should we need representation or consultation services.

2019: \$2,000.00                      2020: \$2,000.00                      Increase/Decrease: \$0 – 0%

**Technical Support:** Designated for computer maintenance. The county has a pending contract with CTSI for general, security, network management, and consulting services. There is a monthly fee of \$73 for 2 computers in the office. The total for the year \$1752. These amounts are subject to change.

2019: \$2,500.00                      2020: \$2,500.00                      Increase/Decrease: \$0 – 0%

## **Salaries**

**Chief Appraiser: Duties:**

- Chief Appraiser – RPA certified
- Assessor/Collector – RTA certified
- Administrative Director
- Records Retention Officer
- Investment Officer
- Public Relations Officer

Other responsibilities include preparing the budget, entering data into CAMA system, updating manuals and policies, paying bills, website maintenance, etc. Specific duties are outlined in the Board of Directors Manual.

2019: \$53,634.00                      2020: \$55,000.00                      Increase: \$1,366.00 - 2.51%

**Deputy Chief Appraiser/Collections Clerk: Duties**

- Deputy Chief Appraiser – working on getting RPA – Completed all required classes for RPA
- Assessor/Collector – RTA certified
- Collections Clerk
- Administrative Assistant

Other responsibilities include entering data in CAMA system, review deeds, enter tax payments into collection software, run collection reports, etc.

2019: \$34,830.00                      2020: \$38,000.00                      Increase: \$3,170.00 - 8.70%

## **Payroll Expenses**

**Health Insurance:** The CAD is covered by Blue Cross/Blue Shield. This year's rate is \$1029.31. The new rate is \$1,104.94 which is an increase of \$1,419.00. Added an additional \$600.00 for the last 3 months of the year in anticipation of another increase for 2021. The total increase is \$2,020.00

2019: \$25,100.00                      2020: \$27,120.00                      Increase: \$2,020.00 - 7.73%

**Retirement:** Texas County and District Retirement System (TCDRS). Employee contribution is 7% of their gross salary which is deducted from their paycheck. CAD matches that by 175%. 2020 contribution rate is 7.48%.

2019: \$7,000.00                      2020: \$7,200.00                      Increase: \$200.00 - 2.81%

**Unemployment:** The CAD pays the state for unemployment benefits collected by former CAD employees.

2019: \$550.00                      2020: \$550.00                      Increase/Decrease: \$0 – 0%

**Worker's Compensation:** The law requires that all employees of the CAD be covered under a worker's compensation insurance plan. We are covered through Texas Association of Counties.

2019: \$500.00                      2020: \$500.00                      Increase/Decrease: \$0 – 0%

**FICA & Medicare:** Added as required by law.

2019: \$7,600.00                      2020: \$7,600.00                      Increase/Decrease: \$0 – 0%

**Longevity:** Full time employees are entitled to longevity pay for continuous employment.

2019: \$960.00                      2020: \$960.00                      Increase/Decrease: \$0 – 0%

**December Increment:** Full time employees are eligible to receive after 2 years of employment.

2019: \$500.00                      2020: \$500.00                      Increase/Decrease: \$0 – 0%

## **Bonding & Insurance**

**Liability Insurance:** BIC – Union Standard Insurance Group is the carrier for Borden CAD's liability insurance. Sanford & Tatum out of Snyder is the representing agency. The liability insurance is \$1.00 over budget for 2019, therefore an increase of \$5.00 was added for any extra overage for the 2020 budget year. The policy covers Commercial General Liability and Employment-Related Practices Liability. The limits on the policy are \$200,000 occurrence and \$500,000 aggregate.

2019: \$775.00                      2020: \$780.00                      Increase: \$5.00 – 0.64%

**Bond Premium:** Covers 2 employees who are authorized to manage financial accounts for the CAD. Total amount of coverage is \$100,000.

2019: \$600.00                      2020: \$600.00                      Increase/Decrease: \$0 – 0%

## **Supplies & Services**

**Advertising:** Costs of publishing notices required by current law such as budget hearings, exemption deadlines, protest procedures, etc.

2019: \$300.00                      2020: \$300.00                      Increase/Decrease: \$0 – 0%

**Office Equipment:** Purchasing calculators, computers, printers, fax machines, etc.

2019: \$1,250.00                      2020: \$1,250.00                      Increase/Decrease: \$0 – 0%

**Office Furniture:** Purchasing desks, chairs, tables, filing cabinets, etc.

2019: \$1,250.00                      2020: \$1,250.00                      Increase/Decrease: \$0 – 0%

**Office Supplies:** Purchasing normal office type items such as pens, pencils, paper, printer ink, etc.

2019: \$6,000.00                      2020: \$6,000.00                      Increase/Decrease: \$0 – 0%

**Postage:** Rendition forms, ag-applications, sales letters, certified items, general correspondence, etc. The CAD is required to send certified notices on any action or determination rendered by the CAD on all applications for exemption, special valuations, protest, ARB Determinations of protest, etc.

2019: \$4,000.00                      2020: \$4,000.00                      Increase/Decrease: \$0 – 0%

**Post Office Box Rent:** Gail Post Office.

2019: \$95.00                      2020: \$95.00                      Increase/Decrease: \$0 – 0%

**Office Rent:** Office rent to Borden County for \$500 a month.

2019: \$6,000.00                      2020: \$6,000.00                      Increase/Decrease: \$0 – 0%

**QuickBooks & Software Updates:** QuickBooks is for our payroll and the General and Collection accounts. If there is a need for a software update it will come out of this line item. A monthly payroll fee is required. Increased \$500.00.

2019: \$1,000.00                      2020: \$1,500.00                      Increase: \$500.00 – 40%

**Telephone:** Cost of basic line charges, long distance, internet and fax.

2019: \$1,950.00                      2020: \$1,950.00                      Increase/Decrease: \$0 – 0%

**Books & Subscription:** Updated versions of the Tax Code, Laws, USPAP, Truth in Taxation and other books and subscriptions used in the appraisal district.

2019: \$500.00                      2020: \$500.00                      Increase/Decrease: \$0 – 0%

## **Education & Dues**

All appraisers are required to registered with the Texas Department of Licensing and Regulation (TDLR). TDLR mandates the recertification of all registrants. Section 5.04(b) of the Texas Property Tax Code stipulates an appraisal district reimburse an employee for any costs associated with courses or training programs sponsored or approved by TDLR. Note that since TDLR assumed the role of licensing for appraisers, the shift towards the International Association of Assessing Officers (IAAO) classes are becoming more prevalent. Appraisers and appraisal districts must now adhere to the IAAO Standards.

**Travel:** For training, CE classes, seminars and conferences held outside of the District.

2019: \$3,000.00                      2020: \$3,000.00                      Increase/Decrease: \$0 – 0%

**Lodging & Meals:** Hotel stays and meals for CAD staff while they are away from the District for training, CE classes, seminars and conferences.

2019: \$5,000.00                      2020: \$5,000.00                      Increase/Decrease: \$0 – 0%

**Training & Education:** The Property Tax Code requires appraisal districts to fund required training and education for appraisers and CAD staff, as needed, to perform job functions. This account covers the hours needed per registrant of CEUs mandated by TDLR.

2019: \$2,500.00                      2020: \$2,500.00                      Increase/Decrease: \$0 – 0%

**Membership Dues:** Texas Association of Appraisal Districts, Texas Association of Assessing Officers and the National Notary Association.

2019: \$1,500.00                      2020: \$1,500.00                      Increase/Decrease: \$0 – 0%

## **Appraisal Review Board**

**Appraisal Review Board:** Services, training and hearings, as well as travel, meals, registration fees, etc. The stipend rate is \$100 as approved by the board on 7/9/2019.

2019: \$1,700.00                      2020: \$1,700.00                      Increase/Decrease: \$0 – 0%

## **Other Expenses**

**Office Temps:** Designated for those working in the office when staff is gone. The hourly wage for the temps is \$12. An increase of \$3,500.00 was added for research purposes.

2019: \$1,500.00                      2020: \$5,000.00                      Increase: \$3,500.00 – 107.69%

**Contingency Fund:** Unexpected necessities that could occur.

2019: \$2,125.00                      2020: \$2,000.00                      Decrease: \$125.00 – 6.06%