

**BOARD OF TRUSTEES
AGENDA**☐

Workshop

☒

Regular

☐

Special

(A)

☒

Report Only

☐

Recognition

Presenter(s): Sonia Gonzalez, Attorney at Law

Briefly describe the subject of the report or recognition presentation.

DELINQUENT COLLECTION ACTIVITIES FOR APRIL - JUNE, 2013

(B)

☐

Action Item

Presenter(s):

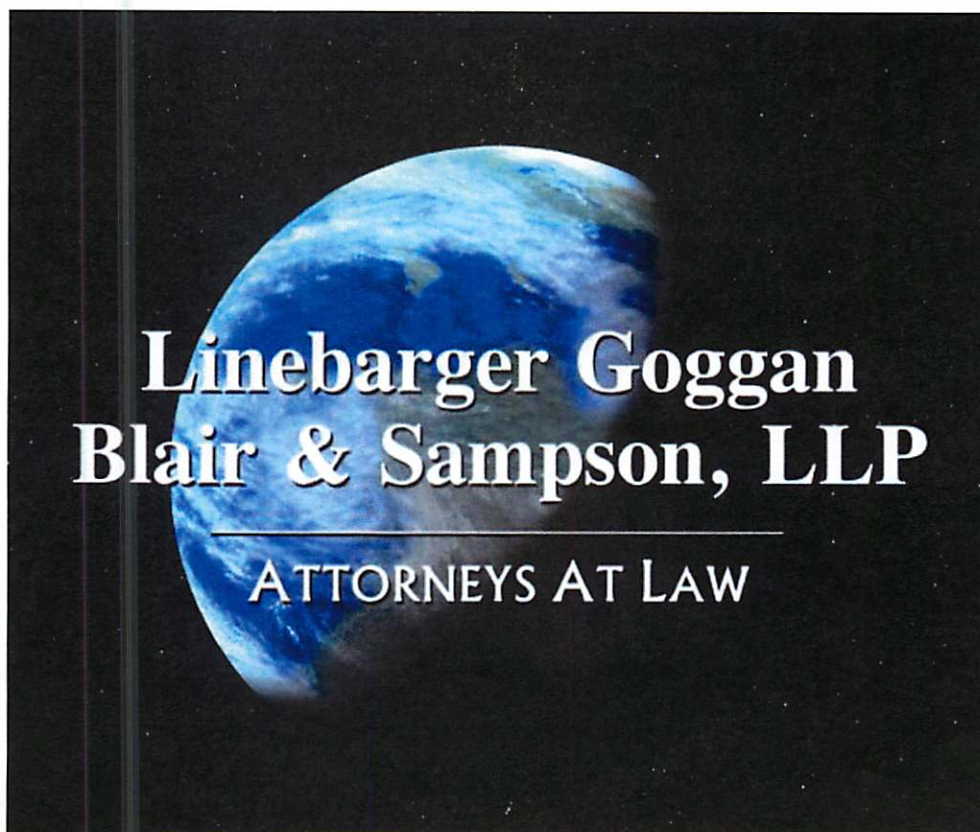
Briefly describe the action required.

(C) Funding source: Identify the source of funds if any are required.

(D) Clarification: Explain any question or issues that might be raised regarding this item.



Quarterly Delinquent Tax Collection Report



Linebarger Goggan Blair & Sampson, LLP

Travis Park Building, 711 Navarro, Suite 300, San Antonio, Texas 78205
(210) 225-6763 (800) 876-6144 Fax (210) 225-6410

April - June 2013

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

ATTORNEYS AT LAW
711 Navarro, Suite 300
San Antonio, Texas 78205
(210) 225-6763
FAX (210) 225-6410

July 10, 2013

School Board of Trustees
Eagle Pass ISD
1420 Eidson Road
Eagle Pass, Texas 78852

RE: April – June 2013 Quarterly Delinquent Tax Collection Report

Dear Trustees:

We are pleased to present this quarterly report for the period of April – June 2013 summarizing the delinquent tax collection services we have provided Eagle Pass ISD. Our work plan and activity reports reflect a consistent effort by the firm to maximize results. While we work to collect all eligible accounts referred to the firm, we are mindful to expedite the collection of the District's largest accounts as quickly as possible. Our technology and experienced professionals enable us to work and monitor every delinquent account. The aggressive, but fair approach we take continues to receive good response from taxpayers. Recognizing that legal enforcement is a last resort option, we encourage payment plans for those needing such arrangements to meet their obligations to the District. We want to assure you that while our program is fair and aggressive, we continue to place a high a priority on providing professional courteous taxpayer assistance to help those taxpayers that are experiencing financial hardship during these tough economic times.

Our entire staff remains focused on delivering services with the high degree of excellence that you have come to expect from our firm. If you, the school board, or other administrative personnel have any questions about this report or the services we provide Eagle Pass ISD, please contact us.

Kindest regards,



SONIA A. GONZALEZ
Partner

CFD&SG /bc

cc: Gilberto Gonzalez, Superintendent of Schools
Ismael Mijares, Assistant Superintendent for Business & Finance
Susana Perez, Risk Management Director
Deniz Brown, Tax Assessor Collector

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VI. Collection Results

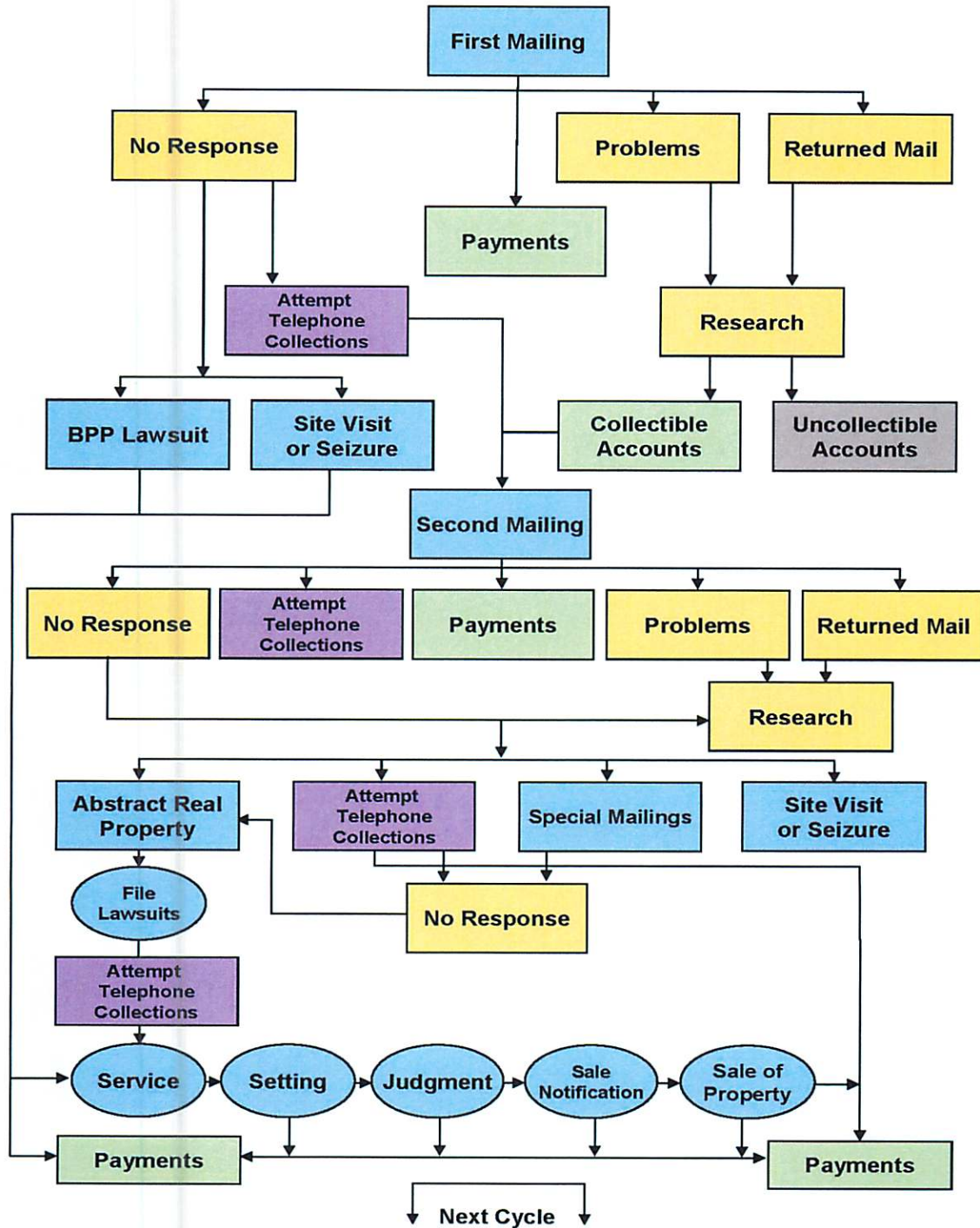
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VII. Management and Support Team

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CHAPTER I

Collection Process



EAGLE PASS ISD WORKPLAN

Notifications

- Mail BPP notice of intent to seize when necessary
- Mail second notification and 1st follow-up notice in September
- Mail 3rd notice and 2nd follow-up notice in December
- Mail special, targeted communications monthly depending on account status each month

Litigation

- Randomly file lawsuits, with focus on high dollar, chronic accounts each month
- Take necessary steps to move all pending cases through the court system each month
- Conduct bi-yearly Sheriff sales
- File proof of claims in bankruptcy courts throughout the United States where taxes are due the District, and take actions necessary to secure taxes in the discharge of the bankruptcy

Research

- Conduct skip tracing research on all accounts flagged with bad address
- Secure an abstract of title on property before filing suit on delinquent accounts
- Conduct follow-up research on defendants where citations have not been successfully served
- Initiate any other title or ownership research necessary to expedite resolution and payment of accounts

Taxpayer Communication

- Initiate contact with Real and business personal property accounts to expedite payment
- Set up payment plans as authorized by the Tax Office
- Remain available during all business hours to assist taxpayers by phone or in person
- Respond to incoming correspondence within three business days

Other Workplan Goals

- Maintain communication with all governmental departments (ie: Tax Office, Appraisal District, District Clerks Office, Sheriffs Department, and Judiciary) involved in the collection process to ensure the collection program remains as efficient as possible and serves to maximize collections while serving the needs of taxpayers
- Provide reports and information whenever necessary to the District

CHAPTER II

Delinquent Collection Activity

A. Mass Mailings

We mail personalized letters to all accounts on the tax roll that are not involved in litigation or have a condition that would prevent immediate legal action such as a payment arrangement, exemption, age or disability deferral, appraisal dispute, or other conditions that negate legal action. The mailings initiated since April 2013 are reflected below.

MASS MAILING ACTIVITY			
Letter Date	Letter Type	Account	Dollar Amount
May 2013	33.07 Resolution	6,819	\$6,351,179.44
TOTAL		6,819	\$6,351,179.44

Sample letters can be found on the following page.

B. Targeted Mailing

Each week the Firm mails personalized letters to groups of taxpayers based on the status of the account. The letters include Notice of Default, Trial Notice, Notice of Court Costs Due, Notice of Intent to Enforce Judgment, Notice of Seizure, Notice of Tax Foreclosure, Notice of Non-Suit Letters, and Notice of Lawsuit Dismissal.

TARGET MAILING ACTIVITY		
Time Period	Number of Accounts*	Dollar Amount
April 2013	69	\$136,094.10
May 2013	30	\$92,199.95
June 2013	78	\$206,323.04
TOTAL	177	\$434,617.09

*Targeted Letters are sent to all identified property owners and lien holders associated with the delinquent accounts and any related pending lawsuit.

NOTICE OF DELINQUENT TAXES
Eagle Pass Independent School District

T14-PO-S4,631



1042907602

DELINQUENT TAXES	:	\$164.07
PENALTY/INTEREST	:	\$49.55
TOTAL DUE	:	\$213.62

RE:

ACCOUNT STATEMENT)

32. ACRES 1.76 (see attached DELINQUENT

IMPORTANT NOTICE

Additional Collection Penalty Applies to 2012 Property Taxes Unpaid as of July 2, 2013

Dear Taxpayer:

As of March 4, 2013, the official records indicate a tax delinquency for one or more years on the property described and as shown at the top of this notice.

This is to inform you that any 2012 taxes remaining unpaid on July 2, 2013, will on that date become subject to an additional penalty of 15% of the taxes, penalty and interest then due, pursuant to Section 33.07 of the Texas Tax Code. Please note that if this account is the subject of a pending delinquent tax suit, the amount shown to be due already includes a 15% attorney fee added to any 2012 taxes, penalty and interest.

Please disregard this notice if you have paid these taxes after March 4, 2013, or if you owe 2012 taxes only and you are timely paying those taxes in quarterly installments or in split payments.

Payment may be made to:

Eagle Pass Independent School District Tax Office
1420 Eidson Road
Eagle Pass, TX 78852
(830)773-3826

Please verify the total amount due printed at the top right corner of this notice with the Eagle Pass Independent School District Tax Assessor Collector.

IF YOU ARE 65 YEARS OF AGE OR OLDER OR ARE DISABLED, AND YOU OCCUPY THE PROPERTY DESCRIBED IN THIS DOCUMENT AS YOUR RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE APPRAISAL DISTRICT REGARDING ANY ENTITLEMENT YOU MAY HAVE TO A POSTPONEMENT IN THE PAYMENT OF THESE TAXES.

PLEASE RETURN THIS LETTER TO THE TAX OFFICE WITH YOUR PAYMENT.

R-186A

C. Telephone/Personal Contact

The Firm maintains a collections department staffed with professionals who are dedicated to making personal contact to collect taxes due. The volume of calls initiated each month is shown below. A list of accounts who have been contacted can be made available to the District upon request.

OUTBOUND COLLECTION CALLS		
Time Period	Number of Accounts	Dollar Amount
April 2013	125	\$365,726.89
May 2013	108	\$318,785.58
June 2013	313	\$637,794.87
TOTAL	546	\$1,322,307.34

CHAPTER III

Taxpayer Assistance

A. Taxpayer Inquiries

Taxpayers are encouraged to contact the firm to resolve their delinquent accounts. We have experienced bilingual personnel available Monday – Friday from 9:00 am to 5:30 pm to assist taxpayers. Each communication represents an opportunity to resolve problems and facilitate the payment of taxes. In addition, taxpayers may tender payments at our local office located on Monroe Street. Our employees will hand deliver those payments to the respective tax offices that same day. We provide taxpayers with receipts to confirm that payment was tendered. This chapter of the report summarizes our taxpayer assistance efforts based on the origin of the inquiry (phone or correspondence).

TAXPAYER WALK IN INQUIRIES		
Time Period	Number of Accounts	Dollar Amount
April 2013	155	\$364,993.62
May 2013	133	\$275,514.53
June 2013	160	\$196,401.25
TOTAL	448	\$836,909.40

IN BOUND CORRESPONDENCE AND PHONE INQUIRIES		
Time Period	Number of Accounts	Dollar Amount
April 2013	314	\$509,864.86
May 2013	118	\$277,127.95
June 2013	201	\$265,504.43
TOTAL	633	\$1,052,497.24

B. Payment Arrangements

Taxpayers who are unable to pay their delinquent taxes in full are provided payment plan options based on the criteria set forth by the District. We encourage taxpayers who need assistance to utilize this payment opportunity to resolve their delinquent accounts.

Payment plans help to expedite payment in full by allowing financially challenged taxpayers partial payment options. The Tax Office provides formal payment contracts with specified time periods to pay off the delinquent balance. During the payoff period the account is placed on hold to prevent collection enforcement through legal action. Payment resolutions negotiated by the Firm usually involve business and larger real estate accounts because of the direct contact we initiate to collect the taxes. If partial payments are the only feasible way to resolve the account, we agree to process their partial payments and extend a 30 day hold to make their next payment.

When a payment hold is placed on the account, the Firm will not take legal action to collect the taxes due. All payment holds have a drop date so that collection enforcement can resume as necessary. If an account is already involved in litigation when a payment agreement is made, the litigation process is allowed to continue until a judgment is entered. Efforts to enforce the judgment will not be taken as long as the taxpayer complies with the payment plan.

LAW FIRM PAYMENT HOLDS		
Time Period	Number of Accounts	Amount Remaining Due
April 2013	11	\$8,935.21
May 2013	13	\$21,126.51
June 2013	4	\$8,059.02
TOTAL	28	\$38,120.74

TAX OFFICE PAYMENT ARRANGEMENTS		
Time Period	Number of Accounts	Amount Remaining Due
April 2013	2	\$689.09
May 2013	0	\$0.00
June 2013	8	\$6,646.46
TOTAL	10	\$7,335.55

CHAPTER IV

Research

A. Returned Mail

Every letter produced through the Firm's mass mailing efforts has a bar code so it can be tracked upon return and updated in our database. The return mail statistics below reflect the number of letters that have been returned undeliverable for each respective mass mailing.

LETTERS RETURNED FROM MASS MAILINGS		
Letter Date	Letter Type	Returned Mail
March 2013	Candidate for Suit	67
May 2013	33.07	537

B. Address and Ownership Research

The Firm's research personnel have access to national search engines to update address information on return mail or accounts on the tax roll that have an insufficient address. Our in-house research specialists are also trained to resolve complex ownership errors in the deed records. In some cases the research must go back to the original plats from the 1800's. When a new address or new ownership record is found, we share our findings with the Maverick County Appraisal District so that they may verify the data and update their records.

ADDRESS & OWNERSHIP RESEARCH	
Time Period	Number of Accounts
April 2013	129
May 2013	216
June 2013	53
TOTAL	398

C. Title Research

Prior to the filing of a lawsuit, the Firm will request an abstract of title from our abstractors to ensure that all lien holders are enjoined in the lawsuit. We randomly select accounts for litigation in addition to selecting specific accounts that we have determined require legal action. If title cannot be verified, the Firm's in-house research team will work with our abstractors and Maverick County Appraisal District to complete the title process. In addition, we are verifying all of the title work involved in the lawsuits filed by the District's previous law firm to ensure that any disposition and foreclosure efforts are in compliance with the law.

ABSTRACTS OF TITLE PROCESSED		
Time Period	Title Orders Requested	Title Orders Received
April 2013	0	23
May 2013	0	0
June 2013	1	13
TOTAL	1	36

CHAPTER V

Litigation

The Firm will file lawsuits as necessary to collect taxes due the District. When we file lawsuits we will work closely with the Maverick County District Clerk, Sheriff's Department and Judiciary to ensure our litigation procedures help to expedite the prosecution of every lawsuit filed. Dockets will be set regularly in accordance to the Judge's calendar and sheriff sales will be held as often as necessary on the steps of the Maverick County Courthouse.

The Firm is proactive in its efforts to collect taxes involved in bankruptcy. We monitor new bankruptcy filings every week to determine if taxes are due to our clients. Claims are filed immediately and include not only delinquent taxes but also current year taxes that will be due the District.

A detailed list of those lawsuits filed including suit number and petition amount are reflected in the table below.

April 2013	
Suit Number	Petition Amount
13-04-04692-TX	\$12,661.04
13-04-04693-TXAJA	\$13,077.94
13-04-04694-TX	\$6,299.07
13-04-04695-TXAJA	\$3,276.04
13-04-04696-TX	\$5,343.90
13-04-04697-TXAJA	\$5,004.29
13-04-04698-TX	\$4,997.44
13-04-04699-TXAJA	\$4,800.94
13-04-04700-TX	\$2,687.09
13-04-04701-TXAJA	\$4,659.26
13-04-04702-TX	\$4,590.93

April 2013 Continued	
Suit Number	Petition Amount
13-04-04703-TXAJA	\$4,437.85
13-04-04704-TX	\$4,629.05
13-04-04705-TXAJA	\$4,300.70
13-04-04706-TX	\$4,550.07
13-04-04707-TXAJA	\$4,292.74
13-04-04708-TX	\$4,206.69
Number of Accounts: 17	Total: \$93,815.04

Motion and Order for Attorney Ad Litem		
Time Period	Motion/Order	Amount Due
April 2013	0	\$0.00
May 2013	1	\$4,656.98
June 2013	0	\$0.00
TOTAL	1	\$4,656.98

TRIAL JUDGMENTS			
Suit Number	Judgment Date	Litigation Status	Judgment Amount
10-02-04174-TX	06-May-2013	JUDGMENT ENTERED	\$2,066.44
11-03-04410-TX	06-May-2013	JUDGMENT ENTERED	\$2,646.35
11-07-04474-TX	06-May-2013	JUDGMENT ENTERED	\$835.41
11-11-04516-TX	06-May-2013	JUDGMENT ENTERED	\$2,257.63
12-09-04618-TX	06-May-2013	JUDGMENT ENTERED	\$1,947.04
TOTAL: 5			\$9,752.82

BUSINESS PERSONAL PROPERTY ENFORCEMENT APRIL – JUNE 2013		
Activity	Number of Accounts	Dollar Amount
Property Inspection	1	\$15,480.48
Walk and Talk Campaign	16	\$66,211.72
TOTAL	17	\$81,692.20

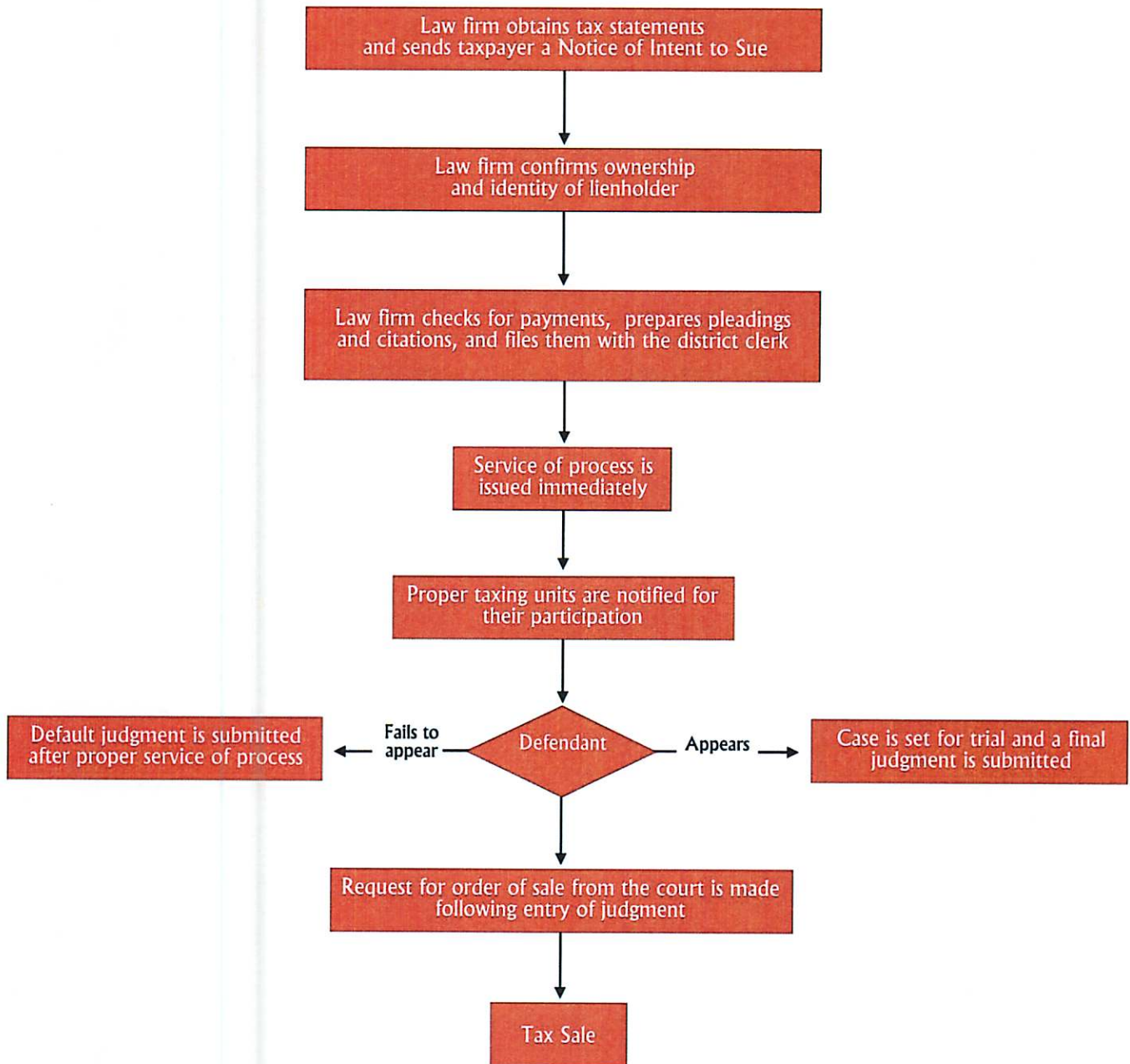
Trial Settings May 2013

Trial Date	Trial Activity
May 6, 2013 (293rd)	11 Lawsuits Set for Trial:
	<p>5 Judgment Entered Totaling \$9,752.87</p> <p>10-02-04174-TX Maverick County, et al vs. Raymundo Flores, Custodian for Amy Nicole flores and Brenda Lee Flores, Minors, Under the Texas Uniform Gifts to Minors \$2,066.44 judgment entered</p> <p>11-03-04410-TX Maverick County, et al vs. Josefina Menchaca, et al \$2,646.35 judgment entered</p> <p>11-07-04474-TX Maverick County, et al vs. Juan Victor Gonzales, et al \$835.41 judgment entered</p> <p>11-11-04516-TX Maverick County, et al vs. J.M. Ortiz \$2,257.63 judgment entered</p> <p>12-09-04618-TX Maverick County, et al vs. Victor M. Ortiz \$1,947.04 judgment entered</p>
	<p>3 Lawsuits passed (paid in full)</p> <p>10-01-04154-TX Maverick County, et al vs. Consuelo Luna, et al \$887.03 paid in full</p> <p>10-03-04214-TX Maverick County, et al vs. Maria Ofelia Regalado \$509.15 paid in full</p> <p>11-07-04456-TX Maverick County, et al vs. Juanita Gonzalez, et al \$65.01 paid in full</p>
	<p>3 Lawsuit passed (payment agreement)</p> <p>09-09-04072-TX Maverick County, et al vs. Ysenia Campos, Doing Business As Ysenia's \$329.28 payment agreement</p> <p>11-01-04392-TX Maverick County, et al vs. Edna Villarreal, et al \$822.20 payment agreement</p> <p>12-03-04574-TX Maverick County, et al vs. Maria Del Consuelo Rodriguez \$1,490.84 payment agreement</p>

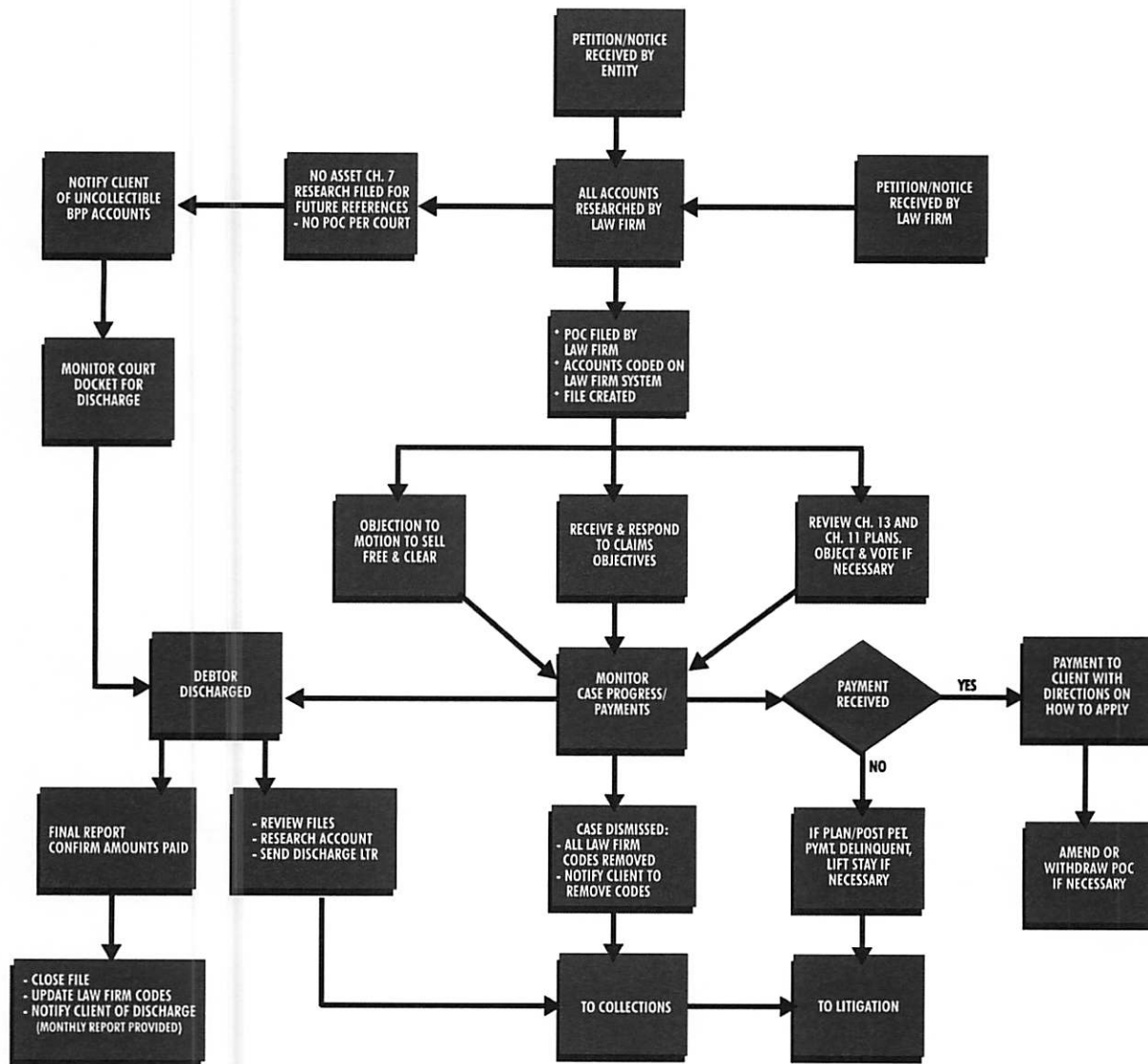
BANKRUPTCY RELATED ACTIVITY REPORT FOR EAGLE PASS ISD Notable Bankruptcy Related Collections - Year 2010				
Year Collected	Debtor	Bankruptcy No.	Chapter	Amount
Year 2010				
	TXCO RESOURCES, INC.	09-51807	11	\$747,596.45
Total Year 2010				\$747,596.45
Grand Total for Year 2010				\$747,596.45

BANKRUPTCY FILINGS			
CLAIMS FILED INVOLVING EAGLE PASS ISD TAX DEBT			
APRIL - JUNE 2013			
Bankruptcy Number	Account Number	Debtor Name	CLAIM AMOUNT
13-50538	3827	J & B PROPERTY MANAGEMENT, LLC	\$1,103.84
13-50538	52577	J & B PROPERTY MANAGEMENT, LLC	\$2,142.11
13-51056	18261	ENRIQUE ENCONTRIAS & MARIA T ENCONTRIAS	\$1,794.00
13-50900	10105	BRIAN T BURRIS	\$905.41
13-50900	10113	BRIAN T BURRIS	\$570.37
13-50900	10128	BRIAN T BURRIS	\$4,115.36
13-50900	13708	BRIAN T BURRIS	\$164.37
13-50900	15065	BRIAN T BURRIS	\$69.71
13-50900	15068	BRIAN T BURRIS	\$171.48
13-50900	15070	BRIAN T BURRIS	\$0.00
13-50900	15071	BRIAN T BURRIS	\$0.00
13-50900	15625	BRIAN T BURRIS	\$0.00
13-50900	15629	BRIAN T BURRIS	\$387.46
13-50900	17038	BRIAN T BURRIS	\$7,384.44
13-50900	52640	BRIAN T BURRIS	\$109.34
13-50900	52662	BRIAN T BURRIS	\$1,302.57
13-50900	8706885	BRIAN T BURRIS	\$1,324.02
Cases: 3	Accts: 17		Total Claims: \$21,544.48
AS OF JULY 2013 THERE ARE 24 EAGLE PASS ISD ACCOUNTS INVOLVED IN ACTIVE BANKRUPTCY PROCEEDINGS WITH DELINQUENT PROPERTY TAXES TOTALING \$58,894.23.			

TAX SUIT PROCEDURES



Bankruptcy Flow Chart



CHAPTER VI

Collection Results

Linebarger Goggan reports collections based on information provided to the Firm from the Tax Office. The table below reflects delinquent tax collection results based on monthly reports from The Eagle Pass ISD Tax Assessor Collector.

EAGLE PASS ISD Delinquent Tax Collections					
	Tax Year 2012-2013	Tax Year 2011-2012	Tax Year 2010-2011	Tax Year 2009-2010	Tax Year 2008-2009
September	\$164,451.89	\$180,904.98	\$178,485.18	\$160,639.28	\$195,643.49
October	\$177,362.65	\$184,123.27	\$180,424.61	\$239,095.72	\$164,568.19
November	\$191,811.25	\$111,649.02	\$108,583.52	\$131,902.00	\$127,456.30
December	\$174,795.75	\$138,720.26	\$131,818.54	\$191,510.59	\$145,498.64
January	\$90,690.80	\$138,436.12	\$159,029.88	\$184,218.47	\$130,534.25
February	\$123,990.39	\$160,445.05	\$130,899.11	\$484,181.97	\$107,776.48
March	No Collection Numbers ¹	\$154,352.22	\$216,510.19	\$186,875.89	\$124,182.95
April	No Collection Numbers ¹	\$105,957.24	\$92,352.71	\$126,426.31	\$47,210.05
May	No Collection Numbers ¹	\$176,993.05	\$83,453.98	\$75,084.53	\$65,810.85
June	No Collection Numbers ¹	\$114,638.94	\$103,338.34	\$89,688.61	\$79,479.17
July		\$203,433.86	\$215,762.41	\$216,422.58	\$266,632.68
August		\$219,242.76	\$208,371.91	\$208,543.11	\$217,283.44
TOTAL	\$923,102.73	\$1,888,896.77	\$1,809,030.38	\$2,294,589.06	\$1,672,076.49

¹The collection numbers for Eagle Pass ISD are unavailable at this time

CHAPTER VII

Management and Support Team



Clif Douglass, III
Managing Partner/San Antonio
Joined in 1986



David Aelvoet
Managing
Partner/Bankruptcy
Joined in 1993



Lilia Ledesma
Partner
Joined in 2003



Ronald Rocha
Partner
Joined in 1994



Sonia Gonzalez
Partner
Joined in 2007



Carri Baker Wells
Director of Operations
Joined in 1985



Brad Balderrama
Attorney
Joined in 2009



Don Stecker
Partner
Joined in 2008



Darbey Wehrle
Financial Reporting
Manager
Joined in 1988



Elaine Mika
Operations Manager
Joined in 1987



Nadine Quintanilla
Assistant Operations
Manager/Regional
Supervisor
Joined in 1994



Ana Cantu
Collections Manager
Joined in 2009
Eagle Pass Office



Sara Garza
Bankruptcy Manager
Joined in 1983



Lorena De Hoyos
Office & IT Administrator
Joined in 2000



Baudi Cepeda
Client Reporting Manager
Joined in 2006



John Fry
Collection Manager
Joined in 2004



Rosa Cruz
Litigation Assistant
Joined in 2011
Eagle Pass Office



Priscilla Inclan
Litigation Assistant
Joined in 2011
Eagle Pass Office



Leticia Crespín
Litigation Assistant
Joined in 2002



Irene Castillo
Lawsuit Production
Joined in 1998



Cecilia Villarreal
Litigation Assistant
Joined in 2009



Paul Hardy
Litigation Assistant/
Research Analyst
Joined in 2011



Barbara Aguilar
Litigation Assistant
Joined in 2000



Daniella Hernandez
Litigation Assistant
Joined in 2013



Lindsay Moy
Assistant Operations
Manager
Joined in 2002



Veronica Gomez
Bankruptcy Assistant
Joined in 2001



Cristela Estrada
Litigation Assistant
Joined in 2003