



Filed
Tarrant County Clerk

3:49 pm, Aug 07 2023

Mary Louise Nicholson
County Clerk

by LMWillis

Notice is hereby given that on August 11, 2023, the Board of Directors of Tarrant Appraisal District will meet in open session beginning at 9:00 a.m. at 2500 Handley-Ederville Road, Fort Worth, Texas

The meeting will also be broadcast live on Facebook. The link for the broadcast:

<https://www.facebook.com/TarrantAD>

AGENDA

- 1. Call to Order**
- 2. Verify Presence of Quorum and Posting of Meeting Notice**
- 3. Pledges of Allegiance**
- 4. Invocation**
- 5. Recognize Visitors; Hear Public Comments**
- 6. Public Hearing on FY 2024 Tarrant Appraisal District Annual Budget**
- 7. Action Items**
 - a. Consent Agenda Items:
 - (1) Action regarding approval of Board of Directors meeting minutes – June 9, 2023
 - (2) Action regarding Award of Contract for Retiree Group Medical Supplemental Insurance for 2024
 - (3) Authorize Chief Appraiser to Execute Interlocal Agreement Renewal Between Tarrant County and the Tarrant Appraisal District for Sheriff's Department Security Services
 - b. Consider adoption of FY 2024 Tarrant Appraisal District Annual Budget
- 8. Discussion item**

Report on Senate Bill 2 passage, and potential modifications to the 2024 budget allocations for taxing units.

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9. Information Items

a. Report by Taxpayer Liaison Officer

by **LMWillis**

b. Report by Chief Appraiser

Report on protests and certification of 2023 appraisal roll.

10. Recess to executive session pursuant to the following part(s) of the Texas Open Meetings Act Government Code Ch. 551, for the following purposes:

- a) Section 551.074 - Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the "letter of repair" delivered to the Chief Appraiser on April 10, 2023
- b) Hear complaints or charges made by a former employee against officers and employees of the Tarrant Appraisal District pursuant to Texas Government Code, 551.074

11. Return to Open Session

Reconvene in open session for possible further discussion and possible action on items deliberated in executive session related to the "letter of repair" delivered to the Chief Appraiser on April 10, 2023, including the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Chief Appraiser

12. Propose Future Agenda Items; Set Next Meeting Date; Adjourn

Next meeting date: Friday, November 10, 2023

Jeff Law
Executive Director/Chief Appraiser

The public is invited to address the Board during the Public Comments period under Agenda Item 5 regarding any item on the Agenda and other issues under the Board's jurisdiction. During the Public Comments period, the Chairman will allow each speaker five minutes but may expand the time as needed if doing so will not interfere with the Board's completing its business and adjourning its meeting at a reasonable time. The Board may refuse to hear comments on subjects not reasonably related to items on the Agenda, to policies and procedures of Tarrant Appraisal District or Tarrant Appraisal Review Board, or to other issues under the Board's jurisdiction. The Board may not respond to comments regarding items not on the Agenda.

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NOTICE OF PUBLIC HEARING ON
TARRANT APPRAISAL DISTRICT BUDGET by LMWillis

The Board of Directors of the Tarrant Appraisal District (TAD) will hold a public hearing on a proposed budget for the 2024 fiscal year.

The public hearing will be held on Friday, August 11, 2023, at 9:00 A.M. in the Boardroom at the office of the Tarrant Appraisal District, 2500 Handley-Ederville Road, Fort Worth, Texas 76118-6909.

A summary of the proposed 2024 Tarrant Appraisal District budget follows:

Salaries and Employee Fringe Benefits	\$22,712,596
Materials & Supplies	2,710,578
Professional Services	3,603,630
Facilities	254,605
Capital Outlay & Contingency	<u>147,497</u>

TOTAL PROPOSED 2024 BUDGET \$29,428,906

The increase from the current year's budget is \$797,517 which is a 2.79% increase.

The number of employees to be compensated under the proposed 2024 budget is 216. The number of employees in the 2023 budget is 214.

The Appraisal District is supported solely by payments from the local taxing units served by the Appraisal District.

If approved by the appraisal district board of directors at the public hearing or at a subsequent meeting, this proposed budget will take effect automatically unless disapproved by the governing bodies of the county, school districts, cities, towns and special taxing districts served by the appraisal district.

A copy of the proposed budget is available for public inspection in the office of each of those governing bodies. A copy is also available for public inspection at the appraisal district office.

TARRANT APPRAISAL DISTRICT
2500 Handley-Ederville Road
Fort Worth, Texas 76118-6909

6. Public Hearing on FY 2024 Tarrant Appraisal District Annual Budget

Action Item 7(a)(1): Action Regarding Approval of Board of Directors Meeting Minutes – June 9, 2023

Staff Recommendation:

Approve June 9, 2023 Board of Directors Meeting Minutes as presented.

**Tarrant Appraisal District
Board of Directors Meeting Minutes
June 9, 2023**

This meeting was conducted “in person” and in compliance with the Open Meetings Act as written in statute. A quorum of the members of the Board attended in person at TAD offices.

These minutes are a summary of the only subjects the board addressed and the actions it took. For details, see the Agenda and Video posted on TAD’s website at this URL:

<https://www.tad.org/about/board-of-directors>

and Video Recording posted at:

<https://www.facebook.com/TarrantADD>

Members Present:

Ms. Wendy Burgess, Tax Assessor Collector (9:03 arrival, 11:45am departure)

Mr. Rich DeOtte, Secretary, Presiding Officer until Chair was filled

Mr. Jungus Jordan

Mr. J.R. Martinez

Mr. Tony Pompa, Chairman

Mr. Vince Puente

Also Participating:

Mr. Jeff Law, Chief Appraiser

Mr. Matthew Tepper, TAD Attorney

Mr. DeOtte called the meeting to order at 9:02am and verified a quorum was present. Item 4 Pledges of Allegiance and Item 5 Invocation were moved ahead of Item 3. After the pledges and invocation, the board took up the following agenda items:

3. Reorganization of the Board to fill the vacant Chair position

Mr. Puente moved to nominate Rich DeOtte as Board Chair but the motion failed for lack of a second. Mr. Jordan nominated Tony Pompa as Board Chair and Tax Assessor Collector Burgess seconded. The motion passed unanimously, 5-0.

6. Recognize Visitors; Hear Public Comments

Four members of the public spoke.

7. Action Items

- a. Action regarding approval of Board of Directors meeting minutes – May 12, 2023.

Mr. DeOtte moved to approve the meeting minutes and Mr. Martinez seconded. The motion passed unanimously, 5-0.

- b. Discussion and possible action on TAD’s policy on Unauthorized Outside Employment/ Self-Employment (conflict of interest)

Mr. Martinez moved to approve and adopt the subcommittee recommended revision to TAD's Unauthorized Outside Employment/ Self-Employment (conflict of interest) policy. Mr. Jordan seconded; Mr. Jordan, Mr. Martinez, Mr. Pompa, and Mr. Puente voted yes. Mr. DeOtte voted no. The motion passed 4-1.

c. Consider Authorization of Refund/Credit of Unspent Revenue from Fiscal Year 2022

Mr. DeOtte moved to pass the staff recommendation as written in the amount of \$689,435 from the FY2022 budget and Mr. Martinez seconded the motion. A friendly amendment was suggested by Mr. Puente to specify the motion would be a refund to the taxing entities rather than a credit. This was accepted by Mr. DeOtte and Mr. Martinez and the motion passed unanimously, 5-0.

d. Discussion and possible action on follow-up to 2024 Budget Workshop – Communication Consulting Services Expenses/ and Business Continuity/Disaster Recovery Cloud Services (network security) and Testing Services

Jennifer Henderson and Christina Vela, Communications Consultants from J.O. Agency, spoke regarding the audit the Board hired them to perform. They spoke about their help with the press coverage TAD has received, the complex nature of the work TAD does, and best practices they recommend be implemented. Jeff Craig gave effects these recommendations could have on the budget and comparisons to some other appraisal districts. The board tabled the remaining discussion of the item until after the executive session to move on to Item 8.

8. Information Items

- a. Report by Taxpayer Liaison Officer
- b. Report by Appraisal Review Board Chairman
- c. Report by Chief Appraiser

Notification of appraisal record submission to the Appraisal Review Board

Verification that all TAD employees who have access to the computer system or database have completed cybersecurity training for the compliance year ending June 14, 2023 provided by the Texas Department of Information Resources (DIR)

Update on 2023 reappraisal efforts and taxpayer protests

9. Recess to executive session pursuant to the following part(s) of the Texas Open Meetings Act Government Code Ch. 551, for the following purposes:

Section 551.089 – Deliberation regarding security devices including security assessments or deployments relating to information resources technology and network security information.

Section 551.074 – Deliberation on personnel matters related to the Chief Appraiser including deliberations on the “letter of repair” delivered to the Chief Appraiser on April 10, 2023.

The Board recessed into executive session at 11:21am. The Board reassembled to open session at 12:23pm.

10. Return to Open Session

- a. Vote on any matters considered in executive session

The Board took no action as a result of the executive session.

7d. Action Item cont.

Discussion and possible action on follow-up to 2024 Budget Workshop – Communication Consulting Services Expenses/ and Business Continuity/Disaster Recovery Cloud Services (network security) and Testing Services, cont.

Mr. Puente moved to direct the staff to amend the proposed budget to reflect no more than a 2.8% max increase above last year’s budget. Mr. DeOtte seconded. The vote was unanimous, 5-0.

11. Propose Future Agenda Items; Set Next Meeting Date; Adjourn

No items were proposed. The next regular meeting was announced as August 11th. The meeting was adjourned at 12:38.

Tony Pompa, Chairman

Action Item 7(a)(2): Authorize and Award Contract for Retiree Group Medical Supplemental Insurance for 2024

Background on retiree medical benefits:

- 1) The Board each year decides whether or not to provide a medical benefit to its retirees. In this context, “retirees” means those who terminate employment with TAD while participating in, vested in, and eligible for retirement benefits under the terms of Texas County and District Retirement System. Since TAD first provided such benefits in 1989, providing medical benefits for retirees has required annual approval by the Board.
- 2) Currently, TAD has two categories of retirees: those who retire at age 65 or older and those “early retirees” who retire before reaching age 65.
- 3) TAD’s providing medical benefits for retirees has been premised on the assumption that those who retire at age 65 or older will be eligible for Medicare benefits.
- 4) For those who retire at age 65 or older, TAD makes available and pays part of the cost of a “Medicare supplement” insurance plan. In the early years of providing such insurance, the Board determined that it would make a monthly cash payment directly to those who were not eligible under the insurance plan because they lived outside its coverage area, with the payment equal to what TAD would pay on their behalf if they lived in the coverage area. Doing so was premised on the assumption that such retirees would use the payment to purchase their own “Medicare supplement” or similar insurance plan. The option of receiving such direct cash payment was subsequently offered to any retiree age 65 or older.
- 5) Early retirees may choose to continue to participate, until they reach age 65, in the medical insurance coverages that TAD makes available to its then current active employees but must pay the full cost of the coverage for their (and their spouses if such coverage is elected) without any financial contribution from TAD. When an early retiree reaches age 65, he or she becomes eligible to take advantage of any “Medicare supplement” or similar insurance plan or the monthly case payment that TAD then makes available to those who retire at age 65 or older.
- 6) With the cost of “Medicare supplement” insurance plans rising and the issue of reducing governmental bodies’ unfunded liabilities coming into sharper focus, the Board elected in 2013 to “cap” at \$150.00 per month the amount that TAD would pay toward the premium of such insurance or pay directly to retirees in lieu of such insurance. As a result, since 2013 retirees must pay any amounts over that \$150.00 per month.
- 7) At present in 2023, we have **79** active retirees.
- 8) For FY 2023 (current) those retirees selecting the provided BlueCross BlueShield of Texas supplemental policy do not pay any additional monthly premium above the \$150.00 cap as the monthly cost of premium for 2023 is currently \$120.30. If the retiree elects to include a spouse, the retiree pays the entire \$120.30 for the spouse’s monthly premium.

Contract award for retiree group medical insurance for 2024:

Currently, the retiree group medical supplemental benefits are provided through Blue Cross Blue Shield of Texas (BCBS). We received a rate pass from BCBS for the 2024 plan year.

Because the premium quoted is below the \$150 capped monthly rate, retirees would not pay anything in additional monthly premiums. Retirees would pay the entire \$120.30 premium for spouses.

Funds are budgeted (based on a \$150.00 capped monthly premium rate) in TAD's proposed FY 2024 Budget to cover the retiree benefits and insurance premiums, at an estimated total cost of \$183,600

It is our recommendation to continue to offer these benefits through BCBS for the 2024 plan year.

Staff Recommendation:

- **Authorize TAD to provide medical benefits to those who retire at age 65 or older as described generally in Paragraph 4 above,**
- **Authorize TAD to provide medical benefits to early retirees as described generally in Paragraph 5 above;**
- **Authorize the "cap" on payments by TAD described in Paragraph 6 above; and**
- **Award contract for retiree medical insurance in 2024 to BlueCross BlueShield of Texas with a rate of \$120.30 per month.**
- **Authorize Chief Appraiser/Executive Director and/or Director of Administration to execute all documents necessary to implement these actions.**

Action Item 7(a)(3): Authorize Chief Appraiser to Execute Interlocal Agreement renewal Between Tarrant County and the Tarrant Appraisal District for Sheriff's Department Security Services

On September 28, 2022, with Board approval, TAD entered into an extension of an interlocal agreement for security services. That was an extension of the original agreement entered into on March 6, 2020

The agreement provides for one Sheriff Deputy to be assigned for on-site security of TAD's property, employees and customers. The agreement provides security during regular work hours of 8:00 to 5:00 Monday through Friday excluding holidays. The agreement does not provide coverage for extended business hours or business days (weekends). The District included additional funds in the 2023 and proposed 2024 budget for weekend security, extended hour coverage and funds for an additional officer on as needed basis. The annual additional amount is \$32,100.

The current agreement covered the twelve months from October 1, 2022 through September 30, 2023. The proposed extension will cover October 1, 2023 through September 30, 2024, continuing to align the agreement to the County's next full fiscal year, at a total cost of \$129,756.15

Staff Recommendation:

Authorize execution of Interlocal Agreement Renewal Between Tarrant County and the Tarrant Appraisal District for Sheriff's Department Security Services

Funds are included in the FY 2023 Budget and in the Proposed FY 2024 Budget

****ILA approved by Tarrant County Commissioners Court Tuesday, August 1, 2023***

**COST ANALYSIS FOR CONTRACT BUILDING SECURITY SERVICES -
TARRANT APPRAISAL DISTRICT (TAD) FY2024**

BASE SALARY

Patrol Deputy	Salary for Grade 53-K \$38.52	\$80,121.60
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FRINGE BENEFITS

Structure	Estimated at 7%	5,608.51
Step	0.00%	0.00
Longevity	Maximum \$5/month for 25 years	1,500.00
Holiday Pay	13 days x 8 hours x \$38.52	4,286.51
Retirement	19.50%	17,845.74
FICA	7.65%	7,001.02
Worker's Comp	\$1.27 per \$100 worth of payroll	1,088.77
Group Medical	Per employee rate (\$917/mo)	11,004.00
Certification Pay	\$50/per month	600.00
Clothing	\$700/year	700.00
		\$129,756.15

Hourly Rate (includes projected step & structure increase)	\$41.22
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Combined Hourly Rate: \$129,756.15 / 2080 hours	\$62.38
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(Combined Hourly rate is calculated using actual salary as of July 2023 and all associated costs)

Basic Services	1 position x \$129,756.15	\$129,756.15
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TOTAL ANNUAL COST:	<u><u>\$129,756.15</u></u>
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Action Item 7(b): Deliberate on Proposed Budget and Approve FY 2024 Tarrant Appraisal District Budget

A Budget workshop was held on May 12, 2023 with follow-up discussion on June 9, 2023. Following input and discussion by the District’s Board of Directors, a proposed budget was produced and submitted to the tax entities that participate in the financing of the District June 12, 2023 prior to the June 15th deadline for this action. See Section 6.06(a) of the Property Tax Code.

As required by Section 6.062, a public hearing notice was timely published to furnish the general public with summary information concerning TAD’s proposed FY 2024 Budget and the date, time, and location of the public hearing. In compliance with Section 6.06 (b), the presiding officers of all the taxing units which financially support the district (plus, as applicable, their city managers and school superintendents) have been provided with copies of the proposed budget and notification of the budget public hearing.

A summary of the proposed 2024 Tarrant Appraisal District budget follows:

Salaries and Employee Fringe Benefits	\$22,712,596
Materials & Supplies	2,710,578
Professional Services	3,603,630
Facilities	254,605
Capital Outlay & Contingency	<u>147,497</u>
TOTAL PROPOSED 2024 BUDGET	\$29,428,906

The number of employees to be compensated under the proposed 2024 budget is 216. The number of employees in the 2023 budget is 214.

A 4% pool for merit pay is included in the proposed budget.

The increase from the current year’s budget is \$797,517 which is a 2.79% increase over the FY 2023 budget.

Subject to input received during the public hearing and specific amendments made by the TAD Board, the proposed FY 2024 TAD Budget could be adjusted either upward or downward or left as proposed. In any case, the budget must be finally approved before September 15, 2023 to comply with the deadline established by the Property Tax Code.

Additional copies of the proposed FY 2024 TAD Budget will be available at the public hearing.

Staff Recommendation:

Approve and adopt the FY 2024 TAD Budget as proposed or amended.

Discussion Item 8:

Report on Senate Bill 2 passage, and potential modifications to the 2024 budget allocations for taxing units.