



Filed
Tarrant County Clerk

7:26 am, Dec 11 2023

Mary Louise Nicholson

County Clerk

by LMWillis

Notice is hereby given that on December 14, 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. Action Items**
 - a. Consent Agenda Items:
 - (1) Action regarding approval of Board of Directors meeting minutes – November 10, 2023; November 17, 2023; December 1, 2023; December 8, 2023; December 11, 2023
 - (2) Action regarding renewal of annual maintenance agreements for all Environmental Systems Research Institute (ESRI) software products in support of TAD's Geographic Information Systems (GIS) appraisal mapping system
 - (3) Action regarding adoption of 2024 Tarrant Appraisal District Investment Policy
 - (4) Action regarding Appointment of Taxpayer Liaison Officer and Deputy Taxpayer Liaison Officer for 2024
 - (5) Action regarding consent to Agricultural Advisory Board member appointment
 - (6) Action regarding selection of TxDIR – Atos, Backup as a Service (BaaS), Disaster Recovery as a Service (DRaaS) and Hosting
 - (7) Action to Authorize Upgrade of Voice Over Internet Protocol (VOIP) Phone System
 - b. Discussion and possible action on amending TAD's Personnel Policies and Procedures concerning Section 11.0 – "Retirement and Retiree Benefits" pertaining to the Retiree Group Medical Supplemental Insurance

- c. Consider Approval to Purchase a New Queuing System to Improve Wait Time and Queue Management for Both TAD and TARB Customer Service Areas
- d. Deliberation and action on options for committing unspent funds from 2023 Budget.

7. Information Items

- a. Report by Taxpayer Liaison Officer
- b. Report by Chief Appraiser

- Best Places to Work Award
- Communications Report

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

Section 551.074 – Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the search for a permanent chief appraiser and chief appraiser interviews.

Section 551.076 – Deliberation regarding security devices, security software or security audits.

Section 551.071 – Deliberation on a matter in which the Board of Directors seeks the advice of its attorney about contemplated litigation or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act, related to statements made by Tarrant Appraisal District’s former director of Information Services regarding the Tarrant Appraisal District’s information systems.

9. Return to Open Session for Possible Action on Items Deliberated on in Executive/Closed Session

Reconvene in open session for possible further discussion and possible action on items deliberated in executive session related to:

- a. The search for a permanent chief appraiser; and
- b. Security devices, security software and/or security audits.

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

Next meeting date: Thursday, December 21, 2023

William Durham
Executive Director/Interim 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.

Filed
Tarrant County Clerk
7:26 am, Dec 11 2023
Mary Louise Nicholson
County Clerk
by **LMWillis**

Action Item 6(a)(1): Action Regarding Approval of Board of Directors Meeting Minutes – November 10, 2023; November 17, 2023; December 1, 2023; December 8, 2023; December 11, 2023

Staff Recommendation:

Approve November 10, 2023; November 17, 2023; December 1, 2023; December 8, 2023 & December 11, 2023 Board of Directors Meeting Minutes as presented.

**Tarrant Appraisal District
Board of Directors Meeting Minutes
November 10, 2023**

This meeting was conducted "in person" and in compliance with the Open Meetings Act as written in statute and was broadcast live on Facebook. 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 & Video posted on TAD's website at this URL: <https://www.tad.org/board-of-directors> and Video Recording posted at: <https://www.facebook.com/TarrantAD>

Members Present:

Ms. Wendy Burgess, Tax Assessor Collector
Mr. Rich DeOtte, Secretary
Mr. Jungus Jordan
Mr. J.R. Martinez
Mr. Tony Pompa, Chairman
Mr. Vince Puente

Not Present:

William Durham, Interim Chief Appraiser

Also Participating:

Mr. Brad Patrick, Director of Administration
Mr. Matthew Tepper, TAD Attorney

Chair Pompa called the meeting to order at 9:00am and verified a quorum was present. The notice was posted timely. After pledges and the Invocation, the Board took up the following agenda items:

5. Recognize Visitors; Hear Public Comments

Six members of the public spoke.

6. Action Items

a. Consent Agenda Items:

- (1) Action regarding approval of Board of Directors meeting minutes - August 11, 2023; September 18, 2023; October 2, 2023; October 18, 2023**
- (3) Approval of the purchase of the IBM Passport Advantage Annual Software Subscription and Support Renewal**
- (4) Action regarding renewal of the annual "Costar Suite" Subscription**
- (5) Action regarding payment of Annual Maintenance and Support services provided by Manatron, Inc. and payment of annual Escrow Fee**
- (6) Approval of the purchase of IBM FlashSystem 5200 Solution**

Mr. Puente removed Item 6a(2) from the consent agenda. Mr. Jordan moved to pass the consent agenda Items 6a(1) and 6a(3-6). This motion was seconded by Mr. Martinez and passed unanimously, 5-0.

6a(2) Consider granting a retiree pension cost of living adjustment (COLA) for 2024 and consider action of moving committed funds to the general fund to cover the cost

After Q&A with TCDRS Employer Representative, Erica Aguierre, Mr. Puente moved to pass the staff recommendation to authorize a 2% COLA for TAD retirees for 2024, authorize transfer of \$850,000 from the Committed Fund for Retirement Unfunded Liabilities to the General Fund for use in reducing the unfunded actuarial accrued liability, and authorize payment of \$850,000 to TCDRS for use in reducing the unfunded actuarial accrued liability of TAD's retirement plan. Mr. Martinez seconded the motion and it passed unanimously, 5-0.

6b Discussion and possible action on amending TAD's Personnel Policies and Procedures concerning Section 11.0 - "Retirement and Retiree Benefits" pertaining to the Retiree Group Medical Supplemental Insurance

Mr. DeOtte moved to table this item until a future meeting and Mr. Martinez seconded the motion. This passed unanimously, 5-0.

7. Information Items

a. Report by Taxpayer Liaison Officer

The Taxpayer Liaison report was reviewed by the Board.

b. Report by Chief Appraiser

(1) Status on 4th Quarter Activities

Brad Patrick reported that Appraisal Departments are in field work preparing for 2024, there are some ARB hearings, and appraisal training taking place.

(2) Update on Comptroller's 2023 Property Value Study and upcoming 2024 MAPS Review

Mr. Patrick also noted that TAD is providing information to the Comptroller's office for the PVS and the initial deadline of December 1st for the MAPS review. The on-site visit will be late April.

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

At 9:58am, the Board recessed into Executive Session as provided in Item 8 of the Agenda.

Section 551.074 – Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the search for a permanent chief appraiser.

Section 551.071 – Deliberation on a matter in which the Board of Directors seeks the advice of its attorney about contemplated litigation in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act, related to statements made by Tarrant Appraisal District's former director of Information Services regarding the Tarrant Appraisal District's information systems.

At 12:11pm, the Board returned to Open Session as provided in Item 9 of the Agenda.

9. Return to Open Session

- a. The search for a permanent chief appraiser and;

No action was taken regarding this item.

- b. Statements made by Tarrant Appraisal District's former director of information services regarding Tarrant Appraisal District's information systems.

No action was taken regarding this item. Chair Pompa reiterated that transparency and honesty are paramount. The investigation was ended. The 3rd party service, Apollo, that conducted the investigation found no signs of data taken from the TAD system. They suggested issues to address and the Board of Directors anticipate a called meeting for Friday, November 17th to move on proposals from Apollo.

8. Propose future agenda items; Set Next Meeting Date; Adjourn

Mr. Jordan proposed that the December 14th agenda include possible action for adding a higher rate for the retiree COLA. The next meeting date is expected to be November 17th. The meeting adjourned at 12:15pm.

Tony Pompa, Chairman

**Tarrant Appraisal District
Board of Directors Meeting Minutes
November 17, 2023**

This meeting was conducted “in person” and in compliance with the Open Meetings Act as written in statute and was broadcast live on Facebook. 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 & Video posted on TAD’s website at this URL: <https://www.tad.org/board-of-directors> and Video Recording posted at: <https://www.facebook.com/TarrantAD>

Members Present:

Ms. Wendy Burgess, Tax Assessor Collector
Mr. Rich DeOtte, Secretary
Mr. Jungus Jordan
Mr. J.R. Martinez
Mr. Tony Pompa, Chairman
Mr. Vince Puente

Also Participating:

William Durham, Interim Chief Appraiser
Mr. Matthew Tepper, TAD Attorney

Chair Pompa called the meeting to order at 8:00am and verified a quorum was present. The notice was posted timely. After pledges and the Invocation, the Board took up the following agenda items:

5. Recognize Visitors; Hear Public Comments

Five members of the public spoke.

6. Action Items

Discussion and possible action on amending TAD’s Personnel and Policies Procedures concerning Section 11.0 – “Retirement and Retiree Benefits” pertaining to the Retiree Group Medical Supplemental Insurance.

Mr. DeOtte moved to table Item 6 for a future meeting and Mr. Martinez seconded. The motion passed unanimously, 5-0.

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

At 8:20am, the Board recessed into Executive Session as provided in Item 7 of the Agenda.

Section 551.074 – Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the search for a permanent chief appraiser.

Section 551.071 – Deliberation regarding security devices, security software or security audits and budget line-item transfer of funds for purchase.

At 9:57am, the Board returned to Open Session as provided in Item 8 of the Agenda.

8. Return to Open Session

a. The search for a permanent chief appraiser and;

No action was taken regarding this item. Chair Pompa stated that the search continues on track and on time for an end of year hire.

b. Security devices security software and/or security audits and budget line-item transfer of funds for purchase.

Mr. Jordan made a motion to authorize the Chief Appraiser to take all action necessary and to work with staff to execute a contract with Apollo Information Systems, Corporation for IT professional Services pursuant to the Texas Department of Information Resources (DIR) purchasing authority. Mr. Martinez seconded this motion and the vote was unanimous, 5-0.

Mr. Jordan moved that the board authorize the Chief Appraiser to make line item changes to the 2023 budget to fund up to \$125,000 for Information Systems and technology purposes including the contract and staff action. Mr. DeOtte seconded this motion and it passed unanimously, 5-0.

8. Propose future agenda items; Set Next Meeting Date; Adjourn

No future agenda items were proposed. The next meeting date is expected to be a called meeting at 8am on December 1st. The meeting adjourned at 10:00am.

Tony Pompa, Chairman

**Tarrant Appraisal District
Board of Directors Meeting Minutes
December 1, 2023**

This meeting was conducted “in person” and in compliance with the Open Meetings Act as written in statute and was broadcast live on Facebook. 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 & Video posted on TAD’s website at this URL: <https://www.tad.org/board-of-directors> and Video Recording posted at: <https://www.facebook.com/TarrantAD>

Members Present:

Ms. Wendy Burgess, Tax Assessor Collector
Mr. Rich DeOtte, Secretary
Mr. Jungus Jordan
Mr. J.R. Martinez
Mr. Tony Pompa, Chairman
Mr. Vince Puente

Also Participating:

William Durham, Interim Chief Appraiser
Mr. Matthew Tepper, TAD Attorney

Chair Pompa called the meeting to order at 8:00am and verified a quorum was present. The notice was posted timely. After pledges and the Invocation, the Board took up the following agenda items:

5. Recognize Visitors; Hear Public Comments

Three members of the public spoke.

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

At 8:13am, the Board recessed into Executive Session as provided in Item 6 of the Agenda.

Section 551.074 – Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the search for a permanent chief appraiser.

Section 551.076 – Deliberation regarding security devices, security software or security audits.

Section 551.071 – Deliberation on a matter in which the Board of Directors seeks the advice of its attorney about contemplated litigation on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act, related to statements made by Tarrant Appraisal District's former director of Information Services regarding the Tarrant Appraisal District's information systems.

At 10:07am, the Board returned to Open Session as provided in Item 7 of the Agenda.

7. Return to Open Session

a. The search for a permanent chief appraiser and;

No action was taken regarding this item.

b. Security devices security software and/or security audits.

No action was taken on this item. Matthew Tepper reiterated that there is an ongoing investigation regarding this item and there will be an additional report from Mr. Tepper hopefully provided by the December 14th meeting.

8. Propose future agenda items; Set Next Meeting Date; Adjourn

No future agenda items were proposed. The next meeting date is expected to be a called meeting at 8am on December 8th and another on December 11th at 8am. Subsequent meetings are planned for December 14th at 9am and December 21st at 8am when a new Chief Appraiser is expected to be announced. The meeting adjourned at 10:09am.

Tony Pompa, Chairman

**Tarrant Appraisal District
Board of Directors Meeting Minutes
December 8, 2023**

This meeting was conducted “in person” and in compliance with the Open Meetings Act as written in statute and was broadcast live on Facebook. 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 & Video posted on TAD’s website at this URL: <https://www.tad.org/board-of-directors> and Video Recording posted at: <https://www.facebook.com/TarrantAD>

Members Present:

Ms. Wendy Burgess, Tax Assessor Collector
Mr. Rich DeOtte, Secretary
Mr. Jungus Jordan
Mr. J.R. Martinez
Mr. Tony Pompa, Chairman
Mr. Vince Puente

Also Participating:

William Durham, Interim Chief Appraiser

Chair Pompa called the meeting to order at 8:06am and verified a quorum was present. The notice was posted timely. After pledges and the Invocation, the Board took up the following agenda items:

5. Recognize Visitors; Hear Public Comments

Three members of the public spoke.

6. Action Items

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

At 8:19am, the Board recessed into Executive Session as provided in Item 6 of the Agenda.

Section 551.074 – Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the search for a permanent chief appraiser and in order to interview candidates.

At 11:47am, the Board returned to Open Session as provided in Item 7 of the Agenda.

7. Return to Open Session

a. The search for a permanent chief appraiser and;

No action was taken regarding this item.

8. Propose future agenda items; Set Next Meeting Date; Adjourn

No future agenda items were proposed. The next meeting date is expected to be a called meeting at 8am on December 11th. The meeting adjourned at 11:52am.

Tony Pompa, Chairman

**Tarrant Appraisal District
Board of Directors Meeting Minutes
December 11, 2023**

This meeting was conducted “in person” and in compliance with the Open Meetings Act as written in statute and was broadcast live on Facebook. 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 & Video posted on TAD’s website at this URL: <https://www.tad.org/board-of-directors> and Video Recording posted at: <https://www.facebook.com/TarrantAD>

Members Present:

Ms. Wendy Burgess, Tax Assessor Collector
Mr. Rich DeOtte, Secretary
Mr. Jungus Jordan
Mr. J.R. Martinez
Mr. Tony Pompa, Chairman
Mr. Vince Puente

Also Participating:

William Durham, Interim Chief Appraiser

Chair Pompa called the meeting to order at 8:02am and verified a quorum was present. The notice was posted timely. After pledges and the Invocation, the Board took up the following agenda items:

5. Recognize Visitors; Hear Public Comments

No members of the public spoke.

6. Action Items

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

At 8:05am, the Board recessed into Executive Session as provided in Item 6 of the Agenda.

Section 551.074 – Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee related to the search for a permanent chief appraiser and in order to interview candidates.

At 1:07pm, the Board returned to Open Session as provided in Item 7 of the Agenda

7. Return to Open Session

a. The search for a permanent chief appraiser

No action was taken regarding this item. Chair Pompa said that the December 14th meeting would include a recess to executive session at 10am for in-person chief appraiser interviews that were expected to take 4 ½ hours and that a possible new chief appraiser could be announced by the meeting on December 21st.

8. Propose future agenda items; Set Next Meeting Date; Adjourn

No future agenda items were proposed. The next meeting date is expected to be a called meeting at 9am on December 14th. The meeting adjourned at 1:08pm.

Tony Pompa, Chairman

Action Item 6(a)(2): Action regarding renewal of annual maintenance agreements for all Environmental Systems Research Institute (ESRI) software products in support of TAD’s Geographic Information Systems (GIS) appraisal mapping system

Comptroller’s Rule 9.3002(a) requires, “All appraisal offices and all tax offices appraising property for purposes of ad valorem taxation shall develop and maintain a system of tax maps covering the entire area of the taxing units for whom each office appraises property.” The Rules describe, in non-technical terms, the requirements of scale, sectioning, and records-numbering of the mapping system. They also allow for and encourage that the system be, “maintained in electronic data processing records rather than physical documents.” For over 20 years the TAD GIS section has built its electronic mapping system around the software products of the Environmental Systems Research Institute (ESRI). These products serve TAD stakeholders both internally and externally from the inception of a particular map product to the delivery of online GIS data via TAD.org’s popular “Interactive Maps” feature. TAD GIS receives frequent requests from cities, school districts, special districts, the general public, and the business community for spatial representation of the property data we maintain. ESRI products allow our staff the features, power, and options to fulfill these requests accurately, professionally, and quickly. The current suite of mapping products TAD utilizes includes basic and advanced desktop applications as well as server and cloud-based applications. TAD staff want to renew ESRI GIS ArcGIS Maintenance for one year and purchase 8,000 ArcGIS on-line credits. Environmental Systems Research Institute, Inc. currently has a contract with Texas Department of Information Resources (DIR-CPO-4699).

Staff Recommendation: Authorize the renewal of annual maintenance agreements for all Environmental Systems Research Institute (ESRI) software products in support of TAD’s Geographic Information Systems (GIS) appraisal mapping system in an amount not to exceed \$33,000.

Funds for this subscription are included in the FY 2024 Budget

Action Item 6(a)(3): Action regarding adoption of 2024 Tarrant Appraisal District Investment Policy

The Public Funds Investment Act requires that “The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies” (TGC Ch.2256.005(e)).

The version for consideration encompasses all previous Board of Director approved amendments. There are no changes from the prior adopted version.

Staff Recommendation: Authorize adoption of the Tarrant Appraisal District Investment Policy.

Action Item 6(a)(4): Action regarding Appointment of Taxpayer Liaison Officer and Deputy Taxpayer Liaison Officer for 2024

Tax Code Section 6.052 requires the Board to appoint a taxpayer liaison officer who shall serve at the pleasure of the Board. The Taxpayer Liaison Officer (TLO) serves as an ombudsman of sorts whose main job is communicating with property owners who have addressed questions and concerns to the Board and seeking resolution for their issues if they do not involve matters that may be protested. Other duties of the TLO include:

- receiving, compiling list of, and forwarding to the Comptroller comments and suggestions filed by the Chief Appraiser, property owners, or property owners' agents about the duties and operations of Tarrant Appraisal Review Board (TARB);
- providing to the public information and materials about the appraisal process, protest procedures, complaint procedures, and related matters; and
- providing clerical assistance to the local administrative district judge in the selection of members of TARB.

Beginning in 2024, the Code also allows for the Board to appoint one or more Deputy Taxpayer Liaison Officers to assist the TLO. A new training requirement and an annual evaluation from the Board of the TLO is also now required starting in 2024.

Ms. Shirley Jacobson has been serving as the Taxpayer Liaison Officer during 2023. Previously, Ms. Jacobson served as a member of the Tarrant Appraisal Review Board for the maximum number of terms allowable, with the last two as the Chairman. In addition to working with taxpayers as the chairman, Ms. Jacobson also has a background that includes working in a tax office and dealing with many of the issues taxpayers must navigate in the entire property tax process. Her service on the ARB and work in the property tax field gives her empathy for the taxpayer and makes her well suited for this position. Mr. Phil Bunker also previously served as a member and chairman of the Tarrant Appraisal Review Board. Mr. Bunker also carries the same service mentality as Ms. Jacobson and strives to assist those in need.

The Tarrant Appraisal District staff recommends that the Board appoint Ms. Jacobson to continue to fill this important position of Taxpayer Liaison Officer and appoint Mr. Bunker to the role of Deputy Taxpayer Liaison Officer.

Staff Recommendation: Appoint Shirley Jacobson to the position of Taxpayer Liaison Officer and Phil Bunker to the position of Deputy Taxpayer Liaison Officer beginning January 1, 2024, both for 1-year terms.

Action Item 6(a)(5): Action regarding consent to Agricultural Advisory Board member appointments

Section 6.12 of the Texas Property Tax Code states “The chief appraiser of each appraisal district shall appoint, with the advice and consent of the board of directors, an agricultural advisory board composed of three or more members as determined by the board”.

At the end of 2023, those serving staggered terms as members of the agricultural advisory board were Mr. Mark Stucks, Mr. William Hornick and Mr. Dale Rector. In 2024, Mr. Rector will be serving the second year of a two-year term. The Agricultural Advisory Board members must be landowners within the District whose land qualifies for agricultural appraisal. All of the above-mentioned meet these qualifications. The Chief Appraiser chooses to appoint, with consent of the board, Mr. Stucks and Mr. Hornick to an additional two-year term on the advisory board with Mr. Rector continuing to serve the remaining year of his term.

Staff Recommendation: Consent to the Chief Appraiser’s appointment of Mr. Mark Stucks and Mr. William Hornick to the Agricultural Advisory Board to a two-year term beginning January 1, 2024.

Action Item 6(a)(6): Action regarding selection of TxDIR – Atos, Backup as a Service (BaaS), Disaster Recovery as a Service (DRaaS) and Hosting

Backup as a Service (BaaS) is a cloud-based service that performs secure backups of our organization's data without the costs and complexities of traditional self-managed backup solutions. Backup services are crucial for protection against accidental data deletion or ransomware attacks, which could expose our organization to data loss and other types of reputation damage. This, in conjunction with Disaster recovery as a service (DRaaS) which is a cloud computing and backup service model that uses cloud resources to protect applications data and equipment from disruption caused by disaster. It gives an organization a total system backup and failover that allows for business continuity in the event of system failure. DRaaS is helpful in organizations like ours that employ on-premise solutions, making it a workable gateway and sandbox to test cloud computing. We would be replicating systems in the cloud without discarding our on-premise systems and, once backed up, enables testing and protection against catastrophic failure of such systems.

A hosting service would allow us to take one of our critical systems and "host" it in the TxDIR cloud. This is like renting space on a physical server where we'd store all the files and data necessary for our services to work properly. This would allow us remote access to off-premises virtual or physical servers and associated resources allowing our team to provision and start using application and data servers without the up-front cost, delays, and labor of purchasing, setting up, managing, and maintaining physical server hardware themselves, on-site.

Staff Recommendation: Authorize Implementation of the TxDIR BaaS, DRaaS and Hosting in an amount not to exceed \$250,000

Funds are included in the FY 2024 budget

Action Item 6(a)(7): Action to Authorize Upgrade of Voice Over Internet Protocol (VOIP) Phone System

TAD utilizes a VoIP phone system in support of daily operations. VoIP telephony is fundamentally different than the old analog or even the newer digital formats in that it acts more like a computing network – where the phone operates like a personal computer, servers regulate the network, and an organization’s information network carries the calls as data packets. VoIP systems require periodic upgrades due to technological obsolescence, external business factors, and the increasing demands for more sophisticated phone-based features and call-volume handling. For needed upgrades, the quote provided to TAD by its contracted VoIP phone service provider is estimated in the amount of \$18,589.32 for one year of service.

Staff Recommendation: Authorize upgrade of Voice Over Internet Protocol (VoIP) phone system in an amount not to exceed \$20,000

Funds are available in the FY 2024 budget

Action Item 6(b): Discussion and possible action on amending TAD's Personnel Policies and Procedures concerning Section 11.0 – "Retirement and Retiree Benefits" pertaining to the Retiree Group Medical Supplemental Insurance

At its August 11, 2023 meeting, the Board expressed its desire to discontinue paying for some or all of a qualified retiree's premium for a supplemental Medicare policy.

The original plan proposed would have considered 2023 as base year with a \$150 maximum amount paid per month by TAD for the qualified retiree and then in successive years beginning in 2024 the amount would start at \$120 and reduce to zero dollars in 2028.

After discussion, the plan was altered to allow that retirees and those that retire before January 1, 2024 would continue to be offered a Medicare supplement or equivalent with the maximum monthly premium paid by TAD at \$150.00. Eligible spouse can take advantage of the offered plan at 100% of the premium paid by the spouse. For those retiring on or after January 1, 2024, they will be offered the same policy, but TAD will not pay any of the premium.

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 **83** 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:

The Board acted in August to approve the plan offered by Blue Cross/Blue Shield.

For discussion and possible action, TAD staff has proposed three options:

Option A: Make no change to current practices and make no change to TAD Personnel Policies and Procedures Section 11.0

Option B: The premium quoted is below the \$150 capped monthly rate, Current retirees and, as proposed, those retiring prior to January 1, 2024 would not pay anything in additional monthly premiums. Those employees retiring on or after January 1, 2024 would pay the entire \$120.30 premium. Any spouses added to the plan would pay the full premium. Section 11.0 (4) of TAD’s Personnel Policies and Procedures would be updated as listed here:

For retired employees and those who retire before January 1, 2024, the employee’s premium for the insurance or alternative plan will be paid by TAD in an amount not to exceed \$150.00 per month. Any additional amount above the \$150.00 monthly premium will be paid by the retiree. Retiree’s spouse may participate, but will pay the full premium. Employees who retire on or after January 1, 2024 will have one or more insurance or alternative plans available to them, but the retiree in this case will pay the full premium. To

~~the extent the District's Board of Directors authorizes the aforementioned retiree medical insurance benefits~~ : said benefits shall be governed by the applicable insurance plan(s) issued by the provider

Option C: The premium quoted is below the \$150 capped monthly rate, Current retirees and, those active as of December 31, 2023, would not pay anything in additional monthly premiums when they retire. Those employees hired on or after January 1, 2024, would pay the entire \$120.30 premium. Any spouses added to the plan would pay the full premium. Section 11.0 (4) of TAD's Personnel Policies and Procedures would be updated as listed here:

For retired and active employees as of December 31, 2023, for those that meet the retiree medical insurance stipulations under sections 1 and 2 above, the employee's premium for the insurance or alternative plan will be paid by TAD in an amount not to exceed \$150.00 per month. Any additional amount above the \$150.00 monthly premium will be paid by the retiree. Retiree's spouse may participate, but will pay the full premium. Employees hired on or after January 1, 2024 will have one or more insurance or alternative plans available to them, but the retiree in this case will pay the full premium ~~To the extent the District's Board of Directors authorizes the aforementioned retiree medical insurance benefits~~ : said benefits shall be governed by the applicable insurance plan(s) issued by the provider

Staff Recommendation: Make no change to current practice and make no change to TAD Personnel Policies and Procedures Section 11.0 pertaining to the Retiree Group Medical Supplemental Insurance

Action Item 6(c): Consider Approval to Purchase a New Queuing System to Improve Wait Time and Queue Management for Both TAD and TARB Customer Service Areas

Virtual Queue Systems are one of the most effective means of managing wait times and walk-in traffic. Modern queueing systems enable visitors to wait in line regardless of their location.

Our customer service techniques need to evolve with the ever-growing expectations of our clients. Taking control of our queuing experiences with NEMO-Q's Virtual Queuing System allows us to manage visitors seamlessly. Some of the benefits of a virtual queuing system are below:

- It reduces visitor frustration from long wait times
- It helps you manage our service area and reduce waiting times
- Easy to use and are centrally controlled
- Increase the efficiency of property owner and agents visits
- Optimize staff performance and time management
- Allows visitors to join the queue online and blend with your walk-in traffic.

Staff Recommendation: Authorize purchase and installation of the NEMO-Q queuing system for \$49,927.

Funds are available in the FY 2023 budget for the initial purchase. Annual maintenance fees of \$19,248 will come from IS Department's software budget.

Action Item 6(d): Deliberation and action on options for committing unspent funds from 2023 Budget.

Staff estimates that, after all bills for 2023 are received and paid, about \$1,100,000 in 2023 funds will remain unspent. Options for disposition of such funds include the following:

- make an additional contribution to Texas County and District Retirement System (“TCDRS”) to offer an additional COLA for retirees in 2024 and/or reduce the unfunded liability in TAD’s employee pension plan
- commit funds for upcoming election costs due to new Board of Director election in 2024 created by Senate Bill 2
- credit remaining unspent money to the taxing entities

Additional Contribution to Texas County and District Retirement System (TCDRS) to offer an additional COLA for retirees in 2024

At the November 10, 2023 Board of Directors meeting, the board approved the transfer of funds from the Committed Fund for Pension Liabilities in the amount of \$850,000 and a payment to TCDRS of \$850,000 to assist in funding the 2% COLA that was also authorized at the meeting. At that time, the board directed staff to review if additional funds from unspent 2023 budgeted money could be used to increase the COLA further for retirees. Based on the info provided by TCDRS and review of the projected unspent funds, the two most viable options are to increase the COLA from 2% to either 3% or 4%. For the 3% adjustment, we would recommend committing an additional \$390,000 to TCDRS from the unspent funds of 2023. For the 4% adjustment, we would recommend committing an additional \$805,000 to TCDRS from the unspent funds of 2023. The graphics below are provided by TCDRS.

Staff recommends that the Board authorize an overall 3% COLA for retirees and that the Board commits \$390,000 out of the unspent 2023 funds to combine with the \$850,000 already committed to TCDRS for use in reducing the unfunded actuarial accrued liability of TAD’s retirement plan.

CURRENT PLAN AND PROPOSED PLAN(S)

	Current Plan	3% prefunded
Basic Plan Options		
Employee Deposit Rate	7.00%	7.00%
Employer Matching	250%	250%
Application of Matching	Future Only	Future Only
Prior Service Credit	95%	95%
Retirement Eligibility		
Age 60 (Vesting)	8 yrs of service	8 yrs of service
Rule Of	75 yrs total age + service	75 yrs total age + service
At Any Age	30 yrs of service	30 yrs of service
Optional Benefits		
Partial Lump-Sum Payment at Retirement	No	No
Group Term Life	NONE	NONE
COLA	N/A	3% FLAT
Retirement Plan Funding		
Normal Cost Rate	10.22%	10.22%
UAAL(OAAL) Rate	0.62%	0.62%
Required Rate	10.84%	10.84%
Elected Rate	14.00%	14.00%
Additional Employer Contribution	\$0.00	\$1,238,712.00

CURRENT PLAN AND PROPOSED PLAN(S)

	Current Plan	4% prefunded
Basic Plan Options		
Employee Deposit Rate	7.00%	7.00%
Employer Matching	250%	250%
Application of Matching	Future Only	Future Only
Prior Service Credit	95%	95%
Retirement Eligibility		
Age 60 (Vesting)	8 yrs of service	8 yrs of service
Rule Of	75 yrs total age + service	75 yrs total age + service
At Any Age	30 yrs of service	30 yrs of service
Optional Benefits		
Partial Lump-Sum Payment at Retirement	No	No
Group Term Life	NONE	NONE
COLA	N/A	4% FLAT
Retirement Plan Funding		
Normal Cost Rate	10.22%	10.22%
UAAL(OAAL) Rate	0.62%	0.62%
Required Rate	10.84%	10.84%
Elected Rate	14.00%	14.00%
Additional Employer Contribution	\$0.00	\$1,651,616.00

Commit Funds For 2024 Board of Directors Election Process

Based on changes to the Texas Property Tax Code from Senate Bill 2, three new members will be added to the Board of Directors in 2024 through a general election. TAD has requested an estimate for the cost that TAD will incur to Tarrant County for the administration of the election that will be held in May 2024. Their current estimate sits at \$300,000. This item was not included in the 2024 TAD Budget approved in August 2023 as it was not fully known at the time. The election cost could be covered by committing funds from the unspent 2023 funds to an established committed fund by the Board and then releasing those funds at a later date when payment is due to Tarrant County to fund the election in 2024. The next general election for Board members will not be until November 2026, so that cost can be budgeted in the 2026 TAD budget.

Staff recommends that the Board commit \$300,000 of unspent funds from the 2023 budget to the CAMA committed fund for future use of this money to fund the election process in 2024.

Credit or Refund to the Taxing Units:

Funds that TAD receives from taxing units as their allocations toward the District's annual budget that remain unspent, unobligated, and uncommitted at the end of the fiscal year are credited to the entities. Specifically, Texas Property Tax Code Section 6.06 (j) provides, "If the total amount of the payments made or due to be made by the taxing units participating in an appraisal district exceeds the amount actually spent or obligated to be spent during the fiscal year for which the payments were made, the chief appraiser shall credit the excess amount against each taxing unit's allocated payments for the following year in proportion to the amount of each unit's budget allocation for the fiscal year for which the payments were made." Any remaining unspent funds should be credited to the taxing units, allocated in the manner provided by Section 6.06(j), all of the unspent 2023 remaining after above transfers and payments.

Summary of Staff Recommendations:

- 1) Authorize an overall 3% COLA for retirees and commit \$390,000 out of the unspent 2023 funds to combine with the \$850,000 already committed to TCDRS for use in reducing the unfunded actuarial accrued liability of TAD's retirement plan.**
- 2) Commit \$300,000 of unspent funds from the 2023 budget to the CAMA committed fund for future use of this money to fund the Board of Directors election process in 2024.**
- 3) Credit to the taxing units, allocated in the manner provided by Section 6.06(j), all of the unspent 2023 remaining after payment of all expenditures, payment to TCDRS for liability reduction, transfer to the CAMA committed fund and purchase of the NemoQ system.**