

Filed
Tarrant County Clerk
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Mary Louise Nicholson
County Clerk

by **Jimmy Politz**



Notice is hereby given that on December 21, 2023, the Board of Directors of Tarrant Appraisal District will meet in open session beginning at 8:00 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. 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
 - b. Deliberation and action on options for committing unspent funds from 2023 Budget
 - Commit funds for upcoming election costs due to new Board of Director election in 2024 created by Senate Bill 2
 - Credit/refund remaining unspent money to the taxing units.
- 7. Information Items**
 - a. Report by Chief Appraiser
 - Best Places to Work Award
 - Communications Report
- 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.

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 to include discussion and possible action approving a contract with a new 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: Friday, January 12, 2024

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 three 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.

Action Item 6(a): 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(b): 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 \$710,000 in 2023 funds will remain unspent. Options for disposition of such funds include the following:

- 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

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.

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.

Staff Recommendation:

Commit all remaining 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 of 2024, future CAMA needs, and other purposes the future board determines after the audit.