Review Audio from DCAD Board Meeting 10/12/23

Summary of Important Topics & Content

Interesting Comments by Don Spencer

Minute 3:30: recognizes and praises outside counsel law firm, Purdue Brandon (and David Tabor).

Minute 7:09: says "we've gone through a year of what I would like to consider more of a survival mode."

Problems with Data Files and Getting Them to Tax Assessor/Collector Office

Minute 16:48: DCAD is currently a week and a half late getting files over to tax office.

Minute 27:11 – 28:47: DCAD staff are going to Bexar CAD to learn everything they can about their operations. DCAD has been communicating with Bexar CAD this past year regarding CAMA system problems. **"There's a lot of workarounds that have to happen with our current software program**. So, we're calling them, what's your fix? They're asking us what's your fix, and together we're trying to formulate those ideas of how… we improve when things are just limited with what we have."

Minute 31:06 – 33:18: DCAD is addressing software issues "outside" of the software system because it cannot provide the correct value info for tax billing. Employee, Rebecca, has to go in and correct data "on the back end."

Minute 36:10: Jeanne Ashlock comments about not contacting software vendor… "Honestly, we really haven't reached out to them much, because luckily, we have Rebecca that has taught herself really. **She has kinda had to" know "how to do things in the database."**

Minute 36:38 – 34:45: Don Spencer justifies Rebecca **"running the process outside of the software"** because of trying to meet deadline, had to make business decision, and that he can trust her process. And continues **"even as unfortunate as is because what she's having to do is pull data out of the system, manipulate the data, and then put it back into the system…".**

Minute 38:21: Spencer says over 60000 properties are being corrected outside of the software by Rebecca.

Minute 38:42: Michelle French discusses the complexity of Rebecca's work in excel with these records and that the "**potential for any type of error just exponentially explodes."**

Minute 39:07: Spencer says Rebecca has to take "extra step once she's put it back in" to check for errors.

Property Study Findings: 3 ISDs (Aubrey, Pilot Point & Sanger) Outside of Confidence Intervals

Minute 41:18 – 46:03: Spencer discusses market values for properties of 3 ISDs in 2021 & 2022 have fallen below the Comptroller's confidence interval (95% to 105%). 2022 was close at 94%. If fall below for a 3rd year, State will "assign" their value, and State values have been historically higher. If assigned this higher value the "long funding formula" calculations will indicate a higher tax revenue being generated, meaning they won't need as much funding. "The school district could be harmed through this process." He goes on to say the valuations for the area of these ISDs, in Northern Denton County, were hit harder than other areas. "**We really raised the values, to try to get to what we can see as market value. And I feel confident that we're going to be back in."** (He feels they will be back in the confidence interval with/for the State.)

QUESTIONS FOR DEPOSTION(S):

How often do you or your staff pull property data out of software, manipulate it, and then put it back into the software?

What kind of "work arounds" does your staff do, outside of the software, with property data?

What software applications are used when working with property data outside of the CAMA system?

Please describe each instance in which data was pulled out, changed, and then reloaded to the CAMA systems and the purpose & reason for each?

How would you check this data for errors? How do you know that the manipulated/changed data is valid or correct before or after you re-load it?

Which DCAD software application contains reliable property data?

Do you think the CAMA system data could be corrupted if improper data is re-loaded, or if there are errors in the data being re-loaded?

Do you think that the on-going "work arounds" and re-loading of supposed corrected data could lead to CAMA system operating failures and program failures?

What is the formula for determining whether an ISD's property market values are within the State required confidence interval?

What is the formula for a Z score?

What section of law allows the state to re-assess or re-assign market values for an ISD for funding?

What is the formula that the State uses to determine the school funding, for who gets what %?

Did the State tell you to increase the values in Aubrey, Pilot Point & Sanger ISDs to suit their demands?

NOTES:

We used Transcribe.com application in attempt to produce a transcript for meeting.

Sound quality and overlapping speakers affect the application's ability to do a good transcription.

We reviewed transcript produced and corrected the important sections from the meeting.

Below is the transcription:

- Areas highlighted gray have audio issues **OR** they were not reviewed & verified to audio.
- Areas highlighted yellow need to be reviewed as problems or concerns with DCAD.

<u>TRANSCRIPTION STARTS HERE:</u>

[00:00:00] …. call our meeting to order. We have our attendance, we have our quorum, invitations, and allegiance.

<u>Michelle French says prayer…</u>

That are new every day. We thank you for your love and your kindness and your forgiveness. And that you, you just walked beside us and behind us and in front of us and lead us leave the way. Keep us from going backwards and keep us from from getting too far off the path. We just thank you so much for that. Lord and father, I pray for everyone that's represented here on every family that's represented here. Father, I pray for your blessings and your favor and mercy. And Lord, I pray that you be with us as the board and as the appraisal district, as we consider and deliberate in, do the business of this County and we pray for your wisdom, your knowledge, and your direction and guidance, in the name of Jesus, we pray, amen.

<u>Everyone says the Pledge of Allegiance for US and for TX</u>

[00:01:07] United States of America and to the Republic for which

On Texas flag…

CD, Wednesday.

<u>Minute 1:50, Don Spencer</u>

Good afternoon, it's good to see everybody.

I'm glad, glad to be together with you guys today.

It's been a good month. We have a lot of good things going on here, and I just want to, you know, take [00:02:07] a few moments first, just really just to recognize staff here and, you know, and what a tremendous job they've done, came out of protest season and certified the role and working towards providing files over to the tax office. So they can mail tax statements and everything has been running really smooth. And I'm just, I'm extremely pleased with the harmony here and how everybody is has pulled together. It's a, it's a really nice environment to walk into every day and I just I'm grateful for the group of folks, we have working here, you know, leadership as well. They have, they have worked extremely hard through protest and, you know, and all of our spare time have been planning for next year. It's,

[00:03:08] it's a continuous cycle around here, you know, we're always having to look forward and it doesn't seem like there's really time for a break and they've all been really proactive and In your ways to continue to improve the processes around here and plan for you know, the continued growth here in the county and here at the appraisal district.

I'd also like to take a second just to recognize outside counsel. Purdue, Brandon, David Tabor works with us a lot and you know he's just I really appreciate the time and attention that he gives to the matters that we need assistance with. And he's, he's, very prompt to respond and he's super helpful with everything and so just you know, thanks to him and the rest of the team over there Purdue for always, you know, providing the council we need and the support.

[00:04:09] We'd also like to just take a quick moment to recognize some, some new hires we have, you know, we've been hiring staff of the last month and so I'm going to give Chris and Jeannie an opportunity real quick to make some quick introductions for you guys.

Minute 4:30, Jeanne Ashlock

I'll start off for customer service. We just brought on Madison.

She first came to us as a temp in the appeals department, so she worked through this with us through the whole protest season and she has a very Innovative mind we've enjoyed working with her and we brought her own pool time. We welcome Madison. Okay.

Minute 4:55, Chris Littrell

So we also hired some new appraisal staff and I think I'll start Michelle. Are you here in the…. So, Michelle is our director of business personal property, and Dana, would you stand next to Michelle? [00:05:09] Dana has just been recently hired to our business personal property department is one of our appraisers and she has a good history too with Michelle in having worked together, and we're very very blessed to have her join us as a part of the staff. And then in our residential department, we added an additional seven individuals and I'll start back there in the back Richard, would you mind standing? Richard's joining us in our residential department. And then right up here on the front, Wesley, he'll be joining us as well. And then Louis, and we have Herman, will be joining us, and Sam and Barry, and then Darrell is also joining us with our residential staff. So we are we are really grateful for all of these individuals and among the eight individuals that we brought on for the appraisal staff. We have just over 80 years, right around 82 years, of [00:06:09] combined real estate appraisal fee appraisal remediation arbitration experience among the staff. So we are we feel very blessed to have them and so will be a great addition to the team that we have going forward very thankful for.

Minute 6:25, Don Spencer

So yeah. So as you can see this is, you know, the hires that we've made just in a short period of time we collective effort is ground running as soon as we certify the world to get jobs posted, you know, the importance of getting those vacancies filled so we can prepare for the upcoming field appraisal cycle and you know get the get the vacancies that we had filled. So we're currently at 98 out of 104 total positions that we have budgeted for. So we're getting close to getting back up to full staff and feel confident and over the next few months we'll get there and we'll have some additional staff to add for our 2024 budgets. So [00:07:09] just really excited about that. You know, this this time in our districts, you know, we've gone through a year of what I would like to consider more of a survival mode. We just, you know, we had a job to do, we were limited on resources but we knew what the task was in front of us and everybody joined together and we got the job done and now it's time to start really progressing forward and you know growing the organization and transforming into you know what our vision is overall for the organization. And what you guys are helping to support. So we're just again, super grateful for the additional staff and excited for the opportunities that are ahead of us.

Minute 8:01, male board member

Don, I was invited to come to the city of Carrollton's city council meeting Tuesday night and received nothing but praise for what the appraisal district has done over the last year. Which I might say, is not always the reception I have received when city of Carrollton has invited me in. One of the questions I have received in the past was, the city understood that we needed to add staff. Would we be able to hire quality staff and fill the vacancies that we have? That was a concern. So, Tuesday night, I was able to assure them the Carrollton city council. That not only were we able to hire, but we were able to hire really top quality people and we're in a great position to continue the success. We have this past year and even improve upon that. So, thank you to you [00:09:10] all and congratulations and welcome to…. (multiple voices cannot make out exact words)

Minute 9:16, Don Spencer

Thank you. I appreciate that.

So, as I walk forward through my report to you, I want to talk to you about facility a little bit, you know as as we have discussed over and over again, the needs here at the appraisal district for space as we continue to grow, we continue to look for ways to maximize the current space that we have. You know, and being the best stewards with what we have right now to, you know, show, good faith out to the taxing units that are funding us that we are in fact doing everything we possibly can in the time when this building until you know, we can get the support that we need financially to you know, have have a new building or additional space. However, that [00:10:10] looks and so part of that is going to is going to play out in the way of the room that that we sometimes meet in over another building, we're going to utilize that room. It's just I think it's close to about 2500 square-foot and Chris has been coordinating with a couple of vendors looking at some options and we've got some plans and some proposals that we've been looking at on some modular cubicle style furniture to fill that room and give us space for 28 people and that will allow us to, through some, through some, some movement and some transitions in space, will be able to make you no room for the entire residential department over in that building. And then moving relocating, some folks over there, over to this building will [00:11:10] allow for you know enough space to for what we currently have. And then the growth for next year the additional positions we have coming in next year. So, we're getting close to, with one of the attorneys at Purdue who’s finalizing and helping me get together an RFP document for that furniture purchase. And so, we'll be posting that next week in the papers and starting that process for request for proposals.

Also, in the way of facility, we've battled really over the years with roof leaks here specifically in this building and chasing those leaks and trying to figure out where they're at and try to make small repairs to where we don't have leaks anymore. And ultimately some of them the more major leaks that we have which are in this actual section of the building we are [00:12:10] sitting in the roofing company has come back with a pretty substantial quote on repairs to stop the leaks. And so that's another issue that I'm going to have to put an RFP out on just to go ahead and inform the board, you know that initial proposal we got from that was ninety thousand dollars. It's not something that you know that we’re excited about but at the same time it really needs to be done because you can even see down this hallway you can see some ceiling tiles that we continue to replace, but every time it rains we have water coming in and you know, we're trying to eliminate the possibilities of mold and other issues that come along with leaks. So, just to keep you aware of that and…

You know as as we've come out of protest season and certification and started the planning phases [00:13:10] for you know for the next year and for growth. We're looking at you know, all the different changes and how it affects everyone because it's going to affect everyone differently, you know residential completely and totally uprooting from where they've been, moving them into another building. So we took the opportunity a few weeks ago to meet with with staff and you know kind of walk through that with them and layout, you know, what our what our plans were in our goals and expectations and just try to, you know, express, you know, our understanding of the challenges that are going to come alongside of this growth, you know, but ultimately to ensure that they understand you know, what our goals are and what direction we're headed. And so that we can start to feel feedback and you know questions and concerns from them and [00:14:10] I feel like that's all well. You know, it's obviously it's going to be a, you know, a process as all change is. But I feel like everyone is starting to come, you know, come on board with, with ideas and understand what the long-term goals of the district are. And so, we're excited to start, you know, really moving forward all this so we can, you know, continue to improve, you know, efficiency and processes, and our service ultimately to you know to the public and to the entities.

<u>Minute 14:41, male board member</u>

Are you going to need to do a RFP for equipment, wiring and that sort of thing, as well as furniture.

Minute 14:48, Don Spencer

And no, the the electrical, thankfully, a lot of the electrical is there because that building was before before we had it, it actually held a lot of cuticles. And so, there wasn't a lot of work to be done on way of electrical. Network as well there is not a lot [00:15:10]. There's a little bit of wires that need to be run but it's a very, very minimal expense as far as that goes, so the majority of the cost in what we're going to be doing with that is going to be for furniture, you know, and the installation of that furniture. Also we're going to you know, in turning that space from a training area into a room that's going to house all the residential appraisers. Adding that many people that have building, we're going to add, you know, some life amenities in that room, a couple extra fridges, some microwaves and coffee makers and stuff like that and turn that space into, you know, a nice warm, you know, workspace for all of them and try to make it as comfortable as possible for that money.

Minute 16:04, Don Spencer

Training and development is is a big focus. Obviously, you know, we talked about that. We talked about [00:16:10] it last year and rolling into the budget and, you know, so, and I think Chris and possibly Jeanne will talk a little bit more about that in their updates but that's that's where we kind of shifted our focus now that we brought on, you know, all these new folks is is training in developing these folks and getting them ready for, you know, the upcoming season. And so, I've already heard some really exciting things and I know you guys will be happy to hear as well what's been going on in that environment.

Minute 16:48, Don Spencer

One of the last things that I was going to share with, you was just kind of again and update, you know, we're, we are currently about a little bit over a week and a half, I think, behind our targeted planned date to get the data files, over to the tax office, [00:17:10] to Michelle's office for, you know, the tax bills to be able to go out and I felt like it was something important that you guys needed to know about. You know, I think Jeanne has been in constant communication with Stacy over there, at the office, giving updates on where we're at. You know, a lot of the cause behind that, and Jeanne will touch on that as well in her updates. But, you know, the, the latest legislation, the special session, the timing of that, the changes has has played a really big role in that delay and there's there's been some challenges for, you know, for our, for our staff, to walk through in ensuring that the files are accurate before they make it over there. So, you know, the tax, the tax roll can be accurate.

Minute 18:08, Don Spencer

And the last thing I had was just [00:18:10] that we are currently receiving nominations for, you know, the 2024 board of directors from all the taxing units and we've received now from 9 entities and, and, we've got well, today, tomorrow, and Monday. The end of, the close of business on Monday is the deadline to receive those nominations. And then Misty will help working on getting the ballots together and sending that out to the, to the entities so they can start casting their votes for the 2024 board of directors, for the five members that will be appointed by them. And then, obviously Senate Bill 2 added, the three elected positions that will come on to the board next summer, through the May election. The general election.

That is all I have. If you have any questions, I'll be happy to entertain them.

Minute 19:06, male board member

Transcription NOT reviewed or confirmed.

[00:19:10] The reality is you made we have made unbelievable progress in turning a negative trend into a positive trend of the anybody disagree with that.

Holly. Holly G is high quality people that many people has shorter period of time to join the shed and is this This people with other dickheads not the case with heads have come over to our D head or is a training process and have to start from scratch with most of the new people. Give me a little bit of a feel for how you got that many and what they

experienced righty?

Minute 19:55, Don Spencer

Yeah. I mean outside of you know us again, you know, really?

Jumping out there as soon as we couldn't get in the position. Plus we're at we had to get through protest season, you know, before we can really focus [00:20:10] on hiring again. So we come in as soon as it was over you know Chris and Jean both worked really hard to start making sure that we had the positions posted and honestly you know, provision of the Lord, I mean they just we started it, we started receiving applications and you know, they started going through the interview process. This and I mean, we just we had a, we had a variety of folks that had applied some that we're currently working for other cats. Some that were, you know, in different different aspects of the real estate industry, you know, are be exposure United. But, you know, it's, I'm just, I don't have a great explanation on how it all came together. Other than Than, like I said, you know, the Lord provided, you know, the qualified candidates that we needed and we're seeking and made that process go really smooth [00:21:10] and quick.

Minute 21:10, male board member

So it's remarkable in that short period of time since we eat fruit and veggie you've been able to Yes, that's me. I call it. People said to Terry showed into we had, and then the training process, so on how you did it. But

Minute 21:30, female board member

it's amazing how tremendously hard to make sure packages were good. And when I stick to that, I'm talking about insurance, and I'm talking about the building, and the fact that there are you You're creating office space. There's a lot of things being done. Make people feel, welcome. I believed to come here and I did not find that same feeling as much when I first came here. So that's right or wrong. I think there's a lot of good things to y'all being here.

Minute 22:07, male board member

And that guy's an exciting place to be

Lots of missing transcription here….

Minute 22:11, Michelle French

[00:22:11] we're going just a little bit.

We're thrilled to have you guys and if there's anything that my office can do to assist you

Lots of missing transcription here….

Minute 22:38, Chris Littrell

Yes, sir. So just to give a quick update from the appraisal side of life. We've talked a little bit here about the job posting to rewind just for a moment, you know, we held off we had all of these openings, but we held off on bringing folks in because it wasn't the most conducive time to bring people in the middle of an ARB season, very difficult to give them any type of training and to walk through that process. We also knew at the same time that we needed to develop a protocol [00:23:11] and develop a process that we could take them through so that it would be a delightful experience for the new hire and for the existing staff. And so, we waited, we posted, went through that process brought them on and I'm real grateful to just for the time that Misty and Kim and Jeanne and myself were able to spend together and we walk through the existing process for onboarding new individuals and we made some some adjustments and some tweaks and came together. So, I'm really thankful for the just for the work that we were able to do together to make it a really smooth process. There are still things that we want to improve on, in terms of that onboarding process, but I think the testament is the individuals that we brought on. And we also asked them to, to be even you know, brutally honest, as to what they were experiencing from the time that we interview [00:24:11], to the time that we made an offer, to day 1, to day 2. What was that like orientation, the walk through, the beginning of the training process, and we've gotten really good feedback from this this group of individuals that have come on, things that can help us improve. So, we're very grateful for that too. And we want that. That's how we get better. So, we went through that process with the onboarding brought them in and began training. Training and development was one of our focuses, it still is a huge focus, and we also wanted to set expectations up front, so that they would have clear direction and clear division as to where we were going and what the expect... It was only fair to them, to explain to them where we're at, where we've been and where we're going and that way they have a heads-up [00:25:11] going forward. So, with training development, one of the needs that we had was directly with our residential department. So we've begun there and this past Tuesday, we had if you will, a kind of residential department boot camp, 101, training and Matt's with us, and I didn't mean to overlook him earlier, but he's our director of residential and he's done a tremendous job and we're making great strides. But Matt and I were able to kind of tag team and go through a full day of training with our entire residential department, and we started from the ground up. We've done some reorganization, some realignment. We've taken the county and we broke it into regions, that are manageable and we put together teams. Each team has an analytical piece and it has a field site visit field work [00:26:11] piece, and by breaking those into regions and putting teams together, analyzing various individuals aptitude, what would be a good fit? We begin to make some selections using supervisors opinions and documentation, and all of that is still flexible because we may be moving people. But we started with that day of training, teaching them about our system. What it does? What they need to know, how to build schedules, things of that nature moving for it. So, we're off to a really good start and it's phase one and there's more to come. We put together an outline and we're working through that process. So, we're very excited and just the feedback already from our residential department, because specifically that's where we started, has been great. I mean we're really getting good feedback and I think it's going to be a real help to all of them.

The other thing though that we're going [00:27:11] to do to assist some of our leadership is next week. We're going to continue this training development, we're going to be taking a trip down to Bexar CAD, another like and similar CAD in San Antonio. We've been working this out with some of their leadership and we have an itinerary put together of how we're going to walk through that. We'll be able to take and sit with their various departments. And of course, we want to know everything, history, what went into the planning of their facility that they have, the functionality, how does it flow? Because these are things that we're going to be thinking about in the future. And so, how are they structured organizationally? Why are they structured that way? What are all the tasks that they have? How did they determine how to align those tasks? And then we want to have breakout sessions where our directors go and spend time in those various departments because they use the same CAMA system that we have. And frankly, this [00:28:11] past year, we ran into some, we ran into some issues. There's a lot of workarounds that have to happen with our current software program. So we're calling them, what's your fix? They're asking us what's your fix and together we're trying to formulate those ideas of how we have how we improve when things are just limited with what we have. And so next week we hope to be a very beneficial training and development session with Bexar CAD, both for them and for our leadership as well. So, I hope to be able to give you a great update on that.

<u>Minute 28:47, male board member</u>

How many folks are you taking?

<u>Chris Littrell</u>

Right now, there's going to be a total of eight of us.

<u>Male board member</u>

So you got some come back and train trainers.

<u>Chris Littrell</u>

Well, we hope so. Yep, absolutely.

<u>Unidentified commenters</u>

Great. Ok, Jeanne.

<u>Minute 29:03, Jeanne Ashlock</u>

All right, so as far as the administration departments, appeals, the ARB has finished up all the hearings for 2023. [00:29:11] They've been _______up on September the 21st and now they'll just be meeting once a month. for those protests that pop up. They are working on learning some ________ rolls for the entities. We had a little bit of issue with that, timing out because the first one is just so large. It's got a lot of changes in it, going from the 40,000 to 100,000 homestead. So, they're having a couple of issues with that, that we're working on.

We're also preparing for the 24 protest season even though it's our rearview mirror. You know we're also trying to prepare for next year. We're working on the way to lower costs and production time for our certified mail. We sent out a lot of certified mail and _______ been working with a company that may actually lower our costs to be able to help us with that.

We're also working with Wardlaw to see if we can simplify the process for agents by making their account numbers match ours. [00:30:11] We'll see how it goes. But while we're at Bexar next week, we're going to meet them as well.

IT. They've overcome several challenges with outages and CAMA issues and they've done, well, really great with that. They've got system maintenance that's ongoing and I've had minimal to, minimal interference with others and building, preparing for our new infrastructure. So that's going well.

As Chris mentioned for the HR department, we worked on our onboarding process and just successfully brought on new employees. So, they've been busy with that. And then also assisting everybody with open enrollment, with all that completed as well.

And customer service and exemptions, tickets and phones are down a little bit. So we can read a little bit there and focus more on exemptions.

Minute 31:06

We have had some issues with the CAMA provider and getting our files over to the tax office. [00:31:11] We do realize it was a very short time period, that Senate Bill 12 passed, and they did not give us much time to implement the changes and we realized that our software provider had that same time crunch. However we are having to address issues with that outside of our software system because it is simply just not capable of doing everything that we need it to do to have an accurate file which is what is really important for us is we do not want to send a file that is not very good and then you know have to deal with getting bills out and then correcting bills. So, the issues that we have had just to name a few is the calculations of a ceiling when there is new value that was not firing from the right table, which we discovered, and I say we loosely, because Rebecca has been working really hard on that and getting this corrected. They did not address EDIs in the calculations at all, which is undivided interest so ________ go up. So those accounts they did not account for those at all. So, we're having to, you know, go in and do that on the back side. Also, things like exemptions, somebody that a disabled persons exemption and they are going to an over 65, you would it would simply, they would get the same ceiling. It's the same benefit even though it is a different exemption. But this system does not do that, so that's something we have to do on the back end. Things like that. So, it puts a strain on Rebecca and her team. It takes away from things that they should be doing now and focusing on, like training, getting through those exemption applications. So, that is a bit of strain to us now. We are working very diligently and hope to have something ________ but is a challenge. So that you are aware of that.

Minute 33:18, male board member

How are we doing on our exemptions?

Minute 33:22 Jeanne Ashlock

We are still sitting at about 6000, a little bit above, which is about the same as we were a couple months ago. We are also still shorthanded. We just brought on Madison but we have three, four, excuse me, four open positions as well. We do have a temp right now, Amy, that is looking like, we may bring her on as well. She's got a lot of potential and has done well. So, but we do have four openings still at this time.

Minute 33:554, male board member

Have we filled the trainer position budgeted for or is it going to be________?

Don Spencer

That's 2024 budget.

Male board member

Okay, but we still have that kind of identified, hopefully, or we don't ________, cross that bridge when we come to it.

Don Spencer

Yes sir.

Minute 34:09, Male board member

Any other questions?

Minute 34:11, Michelle French

Well, I just wanted to, kind of _________ on what Jeanne was talking about with the CAMA system.

In my world, our tax assessors across the state of Texas have been having a lot of issues with the with the software from a standpoint of contacting, communication, people are not being responded to, phone calls are not being responded to, it is causing an enormous amount of upheaval across the state of Texas. And to find out that something that is as simple as just processing an exemption should not be a difficult thing. That's what, that's what the software is there to do. That is what we pay them for. This is something it'd be no different than in my, the equivalency is that in my software if my software no longer was calculating tax rates properly. You can imagine how dramatic and how big of an issue that would be, if the equivalency is the same. So, to hear that there are just simple functions are not being, not being performed properly. That is very very problematic and people all across the state were having similar problems. And so, I think it's something that as a board we're going to have to look at and address very soon.

Minute 35:52, male board member

On the software is, is it one particular vendor, or it's across vendors? Or it doesn't really matter what the software is?

Michelle French

In this particular case, it is the same vendor.

Male board member

It is the same vendor.

Michelle French

Yes, I am hearing from other colleagues across Texas, it is the same vendor they are having problems with too.

Another male board member

And what is the vendor telling us?

Minute 36:10, Jeanne Ashlock

Honestly, we really haven't reached out to them much, because luckily, we have Rebecca that has taught herself really. She has kinda had to, how to do things in the database. They have a history though, of not responding very quickly, I will say that. But we in this case, we haven't really reached out to them. So as far as what they're saying I honestly don't know.

Minute 36:38, Don Spencer

There comes a point in time when you have a deadline that you're trying to meet and…

Multiple voices overlapping

Don Spencer

… we got to get the work done. You know, we have current outstanding tickets that we had put in prior to this that still haven't responded to and so it's, you know, as a business decision, you know, if we have somebody that is capable of, you know, running the process outside of the software and we can we can trust that process. You know even as unfortunate as is because what she's having to do is pull data out of the system, manipulate the data, and then put it back into the system, and run that as separate processes for each individual year, each individual layer. And so that's why it's taking, you know, that's why there's a delay to that process. Because, you know, truth be told, I mean, if the system was working the way it should, we should be able to just run the process and it would be seamless and you know, that would be ready to be able to send the file, but that's not the case, so.

Minute 37:45, female board member

Are we paying this ______, this vendor?

Don Spencer

It's our, it's our _________ software. It's all one big license agreement.

Female board member

So, can that be evaluated and at some point upgraded to something that would work, because that is a bigger problem than a lot of others.

Michelle French

Yes. When she pulls that data out, is she dropping it into Excel, or to _______ . She's just dropping to Excel, doing the calculations, that way. So, imagine that.

Other co-mingled voices

Michelle French

Imagine that. Imagine that y'all.

Other co-mingled voices

Minute 38:21, Don Spencer

You are talking about 60000, give or take, properties that she having to run through this process alone. She's having to walk all because of the SB 12 and SB 2 stuff. She has to walk all the way backwards to 2018 and then start walking all way back forward.

Minute 38:42, Michelle French

Do you figure, pulling that data out, dumping it into Excel. So, you're now taking something that should be a static record, all you do is apply the program to it and you pull it out, then you have to apply the changes to it and then dump it back in there. The potential, and Rebecca does an amazing job, but the potential for any type of error just exponentially explodes.

Minute 39:07, Don Spencer

Well, that's part of it too because she has to take an extra step once she's put it back in. We have to have some QC on it and error checks and make sure, before we before we proceed forward to the next steps. So, again, and just added time, you know, loss of efficiency.

Michelle French

Yeah, it's, I see that as a real, a real big problem.

Minute 39:31, male board member

Okay, are there any other questions?

_______ have the Taxpayer Liaison Report.

Ashley Aguado

Since my last report we have had 11 complaints and the district complaints are as follows. One complaint regarding the questions in the online protest portal not being answered by staff. And one complaint about the taxpayer receiving a hearing notice and only being allowed to have an informal review on the day of the hearing. And the ARB complaints are as follows: three complaints regarding taxpayer evidence not being considered by ARB; one complaint stating the rebuttal opportunity was not given by the ARB; two complaints indicating the ARB was impolite and impatient; two complaints regarding the affidavit requirement; and one complaint about the long, wait time. And that's all I have.

Female board member

That's kind of amazing. Is it? Is it not? I mean, I hear more than that, just on next door.

That's great.

That's wonderful.

Other co-mingled voices

Minute 40:56, male board member

All right, anything else?

All right. Item 6 is the consent agenda.

Any items you want us to take off consent?

Multiple board members speaking

Seeing none, we have a motion to make a motion second, we have a motion to approve and second, there's no discussion, all in favor. Any opposed? All right, consent agenda is approved.

Minute 41:18, male board member

Item 7, 2022 SDPVS Notification

Don Spencer

So if you recall, I delivered this to you via email a little while back, you know, there's a government code requirement for us to have a discussion about this and Open Session and so I can show, have the the letter that was received and simply stated, this is just a notification from the Comptroller's office about the school district property study findings and basically the status of these three school districts that are listed on here. And you may or may not recall, but during our 2021 property value studying we had actually six school districts that had fallen out of the confidence interval and through, through the appeal process we were able to appeal all six of those with the assistance of Purdue Brandon and able to bring three of those school districts back into the confidence interval, leaving Pilot Point, Aubrey and Sanger still out. You know, and, you know, I can, I can point to several different, you know, things that would cause us to be out. I will tell you that, I mean the confidence interval, you know, simply put is we have to be at market value. We're supposed to be at, you know, a 100 percent of market value. And, you know, once the Comptroller has done study on this, they're going to determine a market value, and then there's confidence interval. We have to be between 95 and 105 percent, and if we're high or low, then we're outside of that which is going to that's, that's going to generate an invalid finding on the property value study. And that's what happened in 2021, on these three school districts. When that happens, the the state will come in and do a subsequent year study on just those school districts that were out.

They did that again in 2022, and these three school districts were still out, very close on all three of these school districts. I mean, within a percent. We're at about 94%, so we're just a little bit low. But nevertheless, we're out and invalid. That's what this notification is about. Basically, it goes out, you know it goes out to the superintendent's of those schools, you know, there are two years of what they call a grace period before you know there is a possibility for a school district to actually lose some funding through this process. If we don't get those school districts back in by year 3, and it's an invalid finding again, then the state will come in and assign their property, by their value, their taxable value to those school districts which is, historically, has always been higher. I mean, indicated, when I tell you that we were at 94% on these, you know, they're saying the value should be higher. So, if they assign a higher value to a school district, then that means this the Comptroller is determining that they don't need as much funding as you know, through the funding formula when they test them taxable value and plug into their long funding formula, that calculates out through the average daily attendance and the number of students and determines how much funding they need. You know, if you assign a higher taxable value to that formula, then it's going to say, well this is how much this is how much revenue you're going to generate. So, you need, you don't need as much from us basically. So that's how the school district can be harmed through this process and that's why it's so important to, you know, for that school for that property value study for us every other year.

So, 2021 was the first year, 2022 is the second year. We are currently in a property value study year again, right now. The appraisers from the state are doing their work, you know, on the appraisals in Denton County and we will get back to findings some preliminary findings from that, probably in January. I do feel confident that we're going to be back in value. I mean considering the increases that we saw and specifically in these 3. And that whole area in Denton County, northern areas Denton County probably got hit harder than anybody else as far as our valuations are concerned. We really raised the values, to try to get to what we can see as market value. And I feel confident that we're going to be back in. But nevertheless, this is something that I had to put before you and have discussion on and so I am willing to answer any questions you have on that.

Minute 46:03, male board member

Anybody have any questions?

All right, one of, all right our item 8 and 9 together.

Did not review & edit from this point on… know that minute markers are wrong from here as well

So is in out of lightning, non-attached

a resolution for you guys to consider for both of those items. These are items that we discussed our last board meeting and you know simply asking that through the adoption of a resolution that you guys will give me the authority and basically, you know, stop With our general practice for years, our general practice on Personnel, policy approval, and group health, benefits approval has been for the for the chief Fraser to bring that before the board. [01:18:25] It's not a requires, no statutory requirement for us to do that. I feel like, you know, as a matter of just just business, you know, it specially the group, health benefits

segment of it. You know, you guys are approving a budget that we budgeted for that. For that item you've already, you know, granted me the authority to spend a certain amount on the health benefits package and so to bring, you know, to have to bring a set of benefit plans in front of you for you guys to make a selection. You know, unless you guys would like to continue forward with that, you know, we would like to just be able to, you know, to make that selection, you know, we're always Is going to make real change efforts to, you know, in visiting with with our program manager. You know, he does a, he does a fantastic job of laying out all the options [01:19:25] and helping us away. You know, the differences between the plans and make sure that we have the best, the best possible benefits that we can afford the, you know, for the staff and, you know, only Personnel policy

again, you know, from time to time, you know, as we're as we're working through. Especially right now, we're working through a lot of change and transformation and organization and, you know, sometimes we just we need to be able to make, you know, slight adjustments to the Personnel policy. You know, my practice will always be to, you know, to seek counsel on that with one of our Our attorneys that we that we use to make sure that we're staying compliance with labor laws and that were, you know, we're not violating the employment rights or anything like that, but the ability to be able to make a change [01:20:25] in the Personnel policy rather than having to wait for a board of directors meeting to bring before you guys would be more efficient in my mind. You know, one thing that I will tell you is, you know, that we'll always be mine. Antennas Chi for you to bring that. You know, if we do, make any changes in the following meeting, I will bring that to the board of directors is nowadays

and receiving feedback on that as well. You'll always be able to you know, evaluate me through the evaluation process of to fill that I made poor decisions. But again, you know, my my heart desires always going to be to benefit the staff here and to have a Personnel policy that that does that as well. Okay, we have eight B's. The resolution on changes to Personnel policies and formal procedures, any questions on the road?

[01:21:26] We have a motion to approve. So second

I'll take it.

Any further discussion, all in favor, you posed,

The 90 is the board resolution of the group health benefits.

Any questions on that resolution other than why won't it pull up?

The only question that I have is it's fine with me that you have the right to approve and everything else but insurance is probably one of the most important tools. We have everyone in this room. Every stats person is there in changes or Year like do you put a team together to look beside that one vendor to see [01:22:26] what challenges might be coming on, or what new things? And that's more of a question of a process than it is this part spot but I'm just confused with the way. It's running right now. People are being priced out of insurance,

extremely closely. With Caitlyn cook. Avoid through that process early on, we start that process and she works very closely with him and she could probably share more detail about that when I came. I came from a traditional Insurance model where you have a free game. So the self funding model was new to me and I was whether rather leery of that process. Kalin has been doing this for the district for about 15 years prior to that his Laughter ticket. He is a broker. An insurance broker not dissimilar to Higginbotham where [01:23:26] they go shop, all of the markets but Kailyn does is he Compares and contrasts with our actual experience rate was under the self funded model, which is a combination of the actual premium that we pay. And then with the actual claims are in the course of the year and then things that are in place to help control those costs IE the reinsurance being the biggie to wear it any point in time, there's a maximum exposure that the district has. And so they tag on some little things that they can. And this is what he does day in and day out. And as I've come to work with him, over the last three years, I have complete faith that he does his due diligence in terms. Contrasting everything in this market. Anything that's new that's coming out. He had one little tweak that he added this year so he's always going to bring [01:24:26] forth anything. That is something that would be a caused potential cost benefit to The District in a way to help us control costs and in give us a pros and cons of what that is. If there's a cost for that how does it It, ultimately It us but he puts together that self funding model and then he Compares and contrasts it to a traditional model of Big Blue Cross Blue Shield where you pay a thousand dollars person, whatever it is on the monthly rate and then it's a one and done, there's a little more backside to it for us in that. Yes, we have a low low monthly premium that we pay, but then there's an ongoing payment of actual

Group resources is the provider, the network is Cigna. And so group, resources, takes and manages all the claims and they look at [01:25:26] whichever plan the person has they make sure that it fits the criteria that our insurance line now that it matches in-network or out-of-network, that type of thing, then they actually send me a checklist. They literally checked that they've issued. I have to approve those. So I'm laying eyes on to make sure that it is indeed. Our employees date of service ties. Those types of things from time to time. If someone is lest left, and their insurance is actually terminated. Then, if that date of service is outside of that time period, then there's an opportunity for them to catch it for myself, to catch it. So we have that that we that we take care of, and then they also group resources also helps manage the prescription side which is a piece that they contract with a group called pro

pro. Thank you. And so but it from the employers point of view it's listed on that insurance card. They see no real difference. They can take in augment that [01:26:26] if they choose by using proact for mail. And Pharmacy for thyroid medicine, heart blood pressure medicine, those types of things that are recurring, obviously not a painkiller, those types of things but they can set it up on an automatic renewal to work closer to home. So there's lots of bells and whistles. Spend lots of little moving pieces that all come together under that umbrella group in interest, but I have complete confidence. Personally that K1 walks through every single bit of that positivity and Dot every, I thank you. My question was not on the approval of this is more about the process.

All right, we have a motion and second to approve, the resolution 9d, we're building.

Approval of group health, benefits plans, all in favor.

[01:27:28] So as I spoke to you earlier and to Frazier report, you know, we're working at the building next door there in the space for the residential apartment. And so we have a need for funds for the furniture. Obviously wasn't something was budgeted for. So I'm just bringing this before you and I'm asking for, you know, basically a pre-authorization currently to use up to two hundred thousand dollars in reserves

for that project. And of course, as we walked forward through the, the RFP process and we make our selections, then we'll bring that to the board next month and get asked for approval to Contract with whoever the selected, vendor is for the purchase, and installation of that furniture, and getting other auxiliaries that we have for that took [01:28:28] place, we have a motion and a second, any discussion.

I'm sorry, I'm sorry.

I just hope it's enough.

We have a motion and second all in favor of approving. The authorizing too crazy to spend up to two hundred thousand [01:29:28] dollars that Reserve funds on furniture and left property. So the post

They really do. They look sharp when they come, so let's go.

[01:30:37] So I might some coffees again, if you guys need a new copy of the tube, the two documents that I provided to you last month at the meeting. But I just wanted to start moving forward with that and go ahead and you know, set a date for my valuation. And then also you know, see if you have any questions or recommendations on you know evaluation instrument that you want to use. Did you like either or Let me see some sights.

Did you have about the two vehicles that he gave us?

I don't have a huge issue with either one of my kind of like the one that had all the job descriptions

and I didn't include that on this coffee, but yeah.

[01:31:51] We're

going to do

our second meeting well, and as something else that I wanted to visit.

Roll it all into December.

I would prefer to have a November meeting because we're going to need to approve that, but it would really be beneficial if we had that meeting members of these things. I think because posting our Province and getting that

[01:32:55] conference, but don't live, that The

story knowledge.

How about the 15th? I mean.

Yeah, I'll be gone the 13th through the 16th.

17 through 20. I'm just sort of a

[01:33:56] note of what I'll do. I'll just leave or I'll just leave in the morning on the 16th to be back here in time. So let's just go ahead and do that. You see 17th or it's a Friday but

I mean, I could do it on on the 17th, I have an appointment at 12:45 that I'll be done in back in town so we could do it then too.

I can do it.

Can you do

[01:34:56] the evaluation?

The meeting on November 17th.

Enjoy move it earlier. So you don't have that horrible. That's why they were guarding that. So we'll do our valuation or individually. Should we send those to you? So something kind of coordinated more. We have some here. They have the big scrum. I don't really get together, we discuss it. Okay, we write everything. We hand it all to him. He takes and meets with him.

And we'll do that at that meeting. Yeah. Okay I just didn't know the mechanics. It works that way. We're all on the same page.

[01:36:00] And at that meeting going through the, the truth Fraser performance review meeting is board regarding it. And then meeting with Don to go over the so sweet documents here, different, but same ones. The one we're adopting is, He's the one that's got the job description on the front. It will be

[01:37:08] Notated three that were received at the very first of October. They actually had September issue dates. At this point. There's only 7 outstanding checks that I have their deposit.

For the most part everyone is timely and it's just, I think for some of the entities at 30 hard, 30 day that I'm tied to two reporting hard. 30 days is a, it's a tight turnaround for them. By the time they receive it process. It put it in our AP issue, the check and for us to receive it. So we're receiving, it is just how up to do there is just the process is used to counsel or for that, okay? It's almost too good, will it? Oh, absolutely. Yeah, I mean, that's how I look at it. In slow motion too.

We've been losing interest

in discussion [01:38:08] on favor, any opposed that passes,

all right,

item. 13

We can really inform executive session. Any actions to be taken based on Executive session seeing none.

Next item is to set our next meeting date, which we already did November 17th. At 3:00,

any items anyone wants on the agenda for the next meeting. Other than the chief appraiser performance review, you have a date set for the next meeting 17th and what The 17th? Yeah. That's a Friday.

Anything else anybody wants on the agenda? [01:39:08] I don't think it has to be on this agenda by any means because it would take time. But on this software issue that was brought up, do we have some point need to at least, look at what the future brings to try to correct that.

I think that would be quite positive to look into it on the side.

the girl who told me want to be done by force,

Next meting is Friday November 17th.