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JUL 08 2024

Hood Central Appraisal District

**Board of Directors Meeting
1902 W. Pearl St
Granbury, Texas 76048**


County Clerk, Hood County, TX

Notice is hereby given that on July 11, 2024, the Board of Directors of the Hood Central Appraisal District will meet in regular open session beginning at 5:00 p.m. at 1902 W. Pearl St., Granbury, Texas

AGENDA

The public is welcome to address the Board of Directors during the public comment period under agenda Item 3 regarding any item on the agenda or any other issues under the Board's jurisdiction. During the Public Comments period, the Chairman will allow each speaker three minutes in which to speak. The Board may refuse to hear comments on subjects not reasonably related to items on the agenda, to policies and procedures of the HCAD, to policies and procedures of HCAD Appraisal Review Board, or to other issues under the Board's jurisdiction. The Board may not respond to comments regarding the items not on the agenda.

1. Call to Order

2. Verify the Presence of a Quorum and Posting of the Meeting Notice

3. Recognize Visitors; Hear Public Comments

4. Action Items

a. Consent Action Items:

- i. Action regarding approval of the Board of Director's meeting minutes from the June 13, 2024 meeting
- ii. Action regarding approval of the Financial Statement from June 2024

b. General Action Items:

- i. Discuss and consider taking action to accept the 2023 Annual Audit report as presented by the accounting firm Roberts & McGee, CPA.
- ii. Discuss and consider taking action to rescind previous action(s) taken by the Hood Central Appraisal District Board of Directors at their May 19, 2021 meeting which began the process of establishing a holding company called the HCAD Home Office Corporation.
- iii. Discuss and consider taking action to renew the group health insurance with United Healthcare.
- iv. Discuss and consider taking action to authorize the Chief Appraiser to purchase the Microsoft 365 suite of software.

5. Information Items

a. Report from the Chief Appraiser

- 2024 Protest and ARB Hearings Update
- Update on Taxing Unit Meetings
- Potential return to bi-monthly board meetings
- Update regarding the proposed 2025 budget

6. Recess to executive session pursuant to the Texas Government Code

- a. Section 551.071(1)(a) and (2) Consultation with general counsel regarding taxing unit request for a forensic audit, related insurance coverage and contemplated litigation.

7. Return to open session for possible action on items deliberated on in executive session

8. Propose future agenda items; Set next meeting date; Adjourn

- a. Proposed Next meeting date: Thursday August 8, 2024

Action Item 4(a):

Board Action Requested

It is requested the Board take action to approve the consent agenda items.

I. Consider taking action regarding the approval of the Board of Director's meeting minutes for the June 13, 2024 regular meeting.

II. Consider acceptance and approval of the Financial Statements from June 2024

The financial statements are presented to the board on a monthly basis. Highlighted payments are those that are non-routine payments.

Staff Recommendation:

Move to approve the consent agenda items as presented.

Hood Central Appraisal District
Board of Directors Meeting
June 13, 2024

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

These minutes are a summary of the only subjects the Board addressed and the actions it took.

Members Present:

Eddie Rodriguez, Chairman, Presiding Officer
Rod Litke
Rick Frye
Scott Bradley

Members Not Present:

Mark McDonald

Also Participating:

Jeff Law, Chief Appraiser

Mr. Rodriguez called the meeting to order at 5:00PM., verified a quorum was present, and that the notice was posted timely. The board took up the following agenda items:

3. Recognize Visitors; Hear Public Comments

No members of the public spoke.

4. Action Items

a. Consent Agenda Items

- i. Action regarding approval of Board of Director’s meeting minutes from May 30, 2024 meeting
- ii. Action regarding approval of the financial statements from May 2024

Rick Frye made a motion to approve the consent agenda items as presented. Rod Litke seconded the motion. Motion carried 4-0

b. General Action Items

- i. Discuss and consider taking action to adopt an updated Records Management Plan as required by the Texas State Library and Archives Commission.

Rick Frye made a motion to approve the new Records Management Plan as submitted Scott Bradley seconded the motion. Motion carried 4-0

- ii. Discuss and consider taking action to designate the Data Processing Manager as the Records Management Officer for the Hood Central Appraisal District.

Scott Bradley made a motion to designate Jodi Creager as the Records Management Officer for the Hood Central Appraisal District. Eddie Rodriguez seconded the motion. Motion carried 4-0

- iii. Discuss and consider taking action provide recommended maintenance on the existing air conditioning units of the district.

Rick Frye made a motion to approve the repairs on the a/c units as outlined in ARESERV March estimate in the amount of \$2,461.60. Rod Litke seconded the motion. Motion carried 4-0

5. Information Items

Jeff Law presented the Chief Appraiser's Report

- Notification of Appraisal Roll Submission to the Appraisal Review Board
- 2024 Appraisal Review Board Activities
- Update on Taxing Unit Meetings
- Proposed 2025 Budget

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

No items were proposed. The next regular meeting was announced as Thursday, July 11, 2024. The meeting was adjourned at 5:55PM .

Rod Litke, Secretary

Hood Central Appraisal District

Statement of Assets & Liabilities

June 2024

Assets		
Current Assets		
Operating Fund Cash	1,326,269.63	
Cash On Hand Tax	1,300.00	
Prepaid Expense	5,316.00	
Due from Agency Fund	1,782.78	
Utility Deposit	75.00	
TOTAL Current Assets		1,334,743.41
TOTAL Assets		1,334,743.41
Liabilities		
Current Liabilities		
Accounts payable	22,184.00	
AFLAC Payable	(22.62)	
Due to Agency Fund	(1.00)	
State Unemployment Payable	(0.17)	
Accrued Payroll	0.21	
Insurance Payable	1,963.89	
Retirement Payable NACO	9,194.75	
Retirement Payable TCDRS	(9,134.47)	
TOTAL Current Liabilities		24,184.59
TOTAL Liabilities		24,184.59
Fund Balance		
General Balance	445,533.78	
Excess of Revenue over Expenditures	865,025.04	
TOTAL Fund Balance		1,310,558.82
TOTAL Liabilities & Fund Balance		1,334,743.41

Hood Central Appraisal District
Statement of Revenue & Expenditures
Year-to-Date Performance, June 2024 - current month

	<i>6 Months Ended June 30, 2024</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
Revenue				
Cresson Crossroads MUD 2	2,104.00	2,104.00	0.00	100.0 %
City of Granbury	160,752.00	214,335.00	53,583.00	75.0 %
City of Lipan	1,704.00	2,273.00	569.00	75.0 %
City of Tolar	8,064.00	10,750.00	2,686.00	75.0 %
Granbury ISD	1,305,963.00	1,741,284.00	435,321.00	75.0 %
Lipan ISD	30,639.00	40,850.00	10,211.00	75.0 %
Tolar ISD	68,652.00	91,535.00	22,883.00	75.0 %
Bluff Dale ISD	1,458.00	1,943.00	485.00	75.0 %
Godley ISD	11,204.00	11,205.00	1.00	100.0 %
Glen Rose ISD	9,417.00	12,557.00	3,140.00	75.0 %
Hood County	536,892.00	715,856.00	178,964.00	75.0 %
Revenue-Print-Outs	0.00	2.00	2.00	
Revenue-Maps	41.00	200.00	159.00	20.5 %
Revenue-Data Sales	1,760.00	3,000.00	1,240.00	58.7 %
Revenue-Tax Sale Certificate	0.00	500.00	500.00	
Interest All Accounts	13,379.55	12,000.00	(1,379.55)	111.5 %
Miscellaneous Revenue	3,208.97	3,000.00	(208.97)	107.0 %
TOTAL Revenue	2,155,238.52	2,863,394.00	708,155.48	75.3 %
	2,155,238.52	2,863,394.00	708,155.48	75.3 %
	2,155,238.52	2,863,394.00	708,155.48	75.3 %
Expenditures				
Salaries	643,490.32	1,341,252.00	697,761.68	48.0 %
Payroll Taxes	52,989.10	117,000.00	64,010.90	45.3 %
Group Health Insurance	141,266.10	305,000.00	163,733.90	46.3 %
Workmens Compensation	0.00	5,500.00	5,500.00	
Retirement	91,117.61	175,000.00	83,882.39	52.1 %
Aerial Photography Services	56,263.20	58,000.00	1,736.80	97.0 %
Auto Allowance	51,700.09	110,600.00	58,899.91	46.7 %
Appraisal Review Board	16,809.72	35,000.00	18,190.28	48.0 %
Arbitration Expense	450.00	7,500.00	7,050.00	6.0 %
Appraisal Services P/A	23,986.36	95,000.00	71,013.64	25.2 %
Audit Services	0.00	20,000.00	20,000.00	
Payroll Services	1,754.43	3,000.00	1,245.57	58.5 %

	<i>6 Months Ended June 30, 2024</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
Building Maintenance	2,050.96	15,000.00	12,949.04	13.7 %
Capital Outlay	0.00	10,000.00	10,000.00	
Appr/Coll Software	37,461.30	79,061.00	41,599.70	47.4 %
Contingency Fund	0.00	100,000.00	100,000.00	
Deed Record Services	0.00	200.00	200.00	
Equip Repair/Maintenance	0.00	3,000.00	3,000.00	
Equip Rental	4,608.20	10,000.00	5,391.80	46.1 %
Insurance-Bldg/Contents	3,309.46	3,500.00	190.54	94.6 %
Insurance-C/A Honesty Bond/Ntr	405.80	1,100.00	694.20	36.9 %
Insurance-Directors Liability	3,119.34	2,600.00	(519.34)	120.0 %
Insurance-Public Emp Crime	473.69	2,000.00	1,526.31	23.7 %
Janitorial Services	6,266.36	13,500.00	7,233.64	46.4 %
Legal Services	19,804.75	100,000.00	80,195.25	19.8 %
Misc Supplies	2,166.17	8,000.00	5,833.83	27.1 %
Office Supplies	17,845.01	45,000.00	27,154.99	39.7 %
Postage	55,508.72	85,000.00	29,491.28	65.3 %
Public & Legal Notices	1,443.00	5,500.00	4,057.00	26.2 %
Software-Financial	2,027.74	2,000.00	(27.74)	101.4 %
Software Mapping	6,538.68	6,500.00	(38.68)	100.6 %
Travel, Training, Tuition	6,339.39	25,000.00	18,660.61	25.4 %
Membership/Subscriptions/Fees	9,755.77	14,000.00	4,244.23	69.7 %
Utilities-Electricity	3,404.42	10,000.00	6,595.58	34.0 %
Utilities-Sewer	338.87	800.00	461.13	42.4 %
Utilities-Telephone	8,119.28	18,000.00	9,880.72	45.1 %
Utilities-Water	258.32	800.00	541.68	32.3 %
Information Technology	19,141.32	30,000.00	10,858.68	63.8 %
TOTAL Expenditures	1,290,213.48	2,863,413.00	1,573,199.52	45.1 %
Program Revenue over Expenditures	865,025.04	(19.00)	(865,044.04)	52763.4 %
	865,025.04	(19.00)	(865,044.04)	52763.4 %
Excess of Revenue over Expenditures	865,025.04	(19.00)	(865,044.04)	52763.4 %

Hood Central Appraisal District

Accounts Payable Detail Report

(Report period: June 1, 2024 to June 30, 2024)

Transaction	Date	Due Date	Reference	Transaction Amount	Original Balance	Current Balance
AFLAC	AFLAC					
207525	06/06/24	Close	Aflac		609.87	CK003749
306432	06/21/24	Close	Aflac Insurance		609.87	CK003775
CK003749	06/06/24		Payment	609.87		
CK003775	06/21/24		Payment	609.87		
Vendor Total					1219.74	0.00
AT&T	AT&T					
05272024	06/12/24	Close	Telephone Lines		743.40	CK003765
CK003765	06/12/24		Payment	743.40		
Vendor Total					743.40	0.00
AT&TMOBILE	AT&T Mobility					
06022024	06/06/24	Close	Mobile Phones		189.31	CK003750
CK003750	06/06/24		Payment	189.31		
Vendor Total					189.31	0.00
BEZEREDI	Michael Bezeredi					
6/3/24-6/14/24	06/13/24	Close	ARB x 6		1050.00	CK003770
ARB 6/17/24-6/28/24	06/24/24	Close	ARB 6/17/24-6/28/		1050.00	CK003789
CK003770	06/13/24		Payment	1050.00		
CK003789	06/24/24		Payment	1050.00		
Vendor Total					2100.00	0.00
BIS	BIS Consulting, LLC					
11001	06/06/24	Close	Yearly Web Hostin		1800.00	CK003751
CK003751	06/06/24		Payment	1800.00		
Vendor Total					1800.00	0.00
CARD	Card Service Center					
050924-060724	06/24/24	Close	Credit Card		828.42	CK003790
CK003790	06/24/24		Payment	828.42		
Vendor Total					828.42	0.00
COSTAR	COSTAR REALTY INFORMATION INC					
120879652	06/21/24	Close	Appraisal Subscript		426.40	CK003776
CK003776	06/21/24		Payment	426.40		
Vendor Total					426.40	0.00

Hood Central Appraisal District

Accounts Payable Detail Report

(Report period: June 1, 2024 to June 30, 2024)

Transaction	Date	Due Date	Reference	Transaction Amount	Original Balance	Current Balance
COVINGTON	Covington Services, LLC					
42305	06/21/24	Close	Alarm Monitoring		24.99	CK003777
CK003777	06/21/24		Payment	24.99		
	Vendor Total				24.99	0.00
ESRI	ESRI					
94736409	06/06/24	Close	Arc Map Yrly Rene		6538.36	Voided
	06/06/24	Cr		-6538.36		
94736409*	06/06/24	Close	Arc Map Yrly Rene		6538.68	CK003752
CK003752	06/06/24		Payment	6538.68		
	Vendor Total				6538.68	0.00
FITZPATRICK	William Fitzpatrick					
6/3/24-6/14/24	06/13/24	Close	ARB x 7 Days		1225.00	CK003771
ARB 6/17/24-6/28/24	06/24/24	Close	ARB 6/17/24-6/28/		175.00	CK003791
CK003771	06/13/24		Payment	1225.00		
CK003791	06/24/24		Payment	175.00		
	Vendor Total				1400.00	0.00
FULLER	Sidney Fuller					
6/3/24-6/14/24	06/13/24	Close	ARB x 6 Days		1050.00	CK003772
ARB 6/17/24-6/28/24	06/24/24	Close	ARB 6/17/24-6/28/		875.00	CK003792
CK003772	06/13/24		Payment	1050.00		
CK003792	06/24/24		Payment	875.00		
	Vendor Total				1925.00	0.00
GAR	Granbury Assoc of Realtors					
30228	06/06/24	Close	MLS fees 3rd Qtr		165.75	CK003753
CK003753	06/06/24		Payment	165.75		
	Vendor Total				165.75	0.00
GRANBURYUTIL	Granbury Mun. Utilities					
0424-05/21	06/06/24	Close	Utilities		761.58	CK003754
CK003754	06/06/24		Payment	761.58		
	Vendor Total				761.58	0.00
GREATAMERICA	GreatAmerica Financial Svcs					
36488491	06/06/24	Close	Phone Database		341.14	CK003755
CK003755	06/06/24		Payment	341.14		
	Vendor Total				341.14	0.00

Hood Central Appraisal District

Accounts Payable Detail Report

(Report period: June 1, 2024 to June 30, 2024)

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Transaction	Date	Due Date	Reference	Transaction Amount	Original Balance	Current Balance
HCADTAX HCAD Tax Account						
ERR DEPOSIT	06/03/24	Close	From Misc Rev		110.01	CK003748
CK003748	06/03/24		Payment	110.01		
Vendor Total					110.01	0.00
HERRINGTON Walter Herrington						
6/3/24-6/14/24	06/13/24	Close	ARB x 5 Days		875.00	CK003773
ARB 6/17/24-6/28/24	06/24/24	Close	ARB 6/17/24-6/28/		875.00	CK003793
CK003773	06/13/24		Payment	875.00		
CK003793	06/24/24		Payment	875.00		
Vendor Total					1750.00	0.00
INTEC INTEC						
008573	06/06/24	Close	15000 Window Env		1062.69	CK003756
CK003756	06/06/24		Payment	1062.69		
Vendor Total					1062.69	0.00
JEFF Jeff Law						
NACO REFUND	06/11/24	Close	Refund deducted N		745.80	CK003764
CK003764	06/11/24		Payment	745.80		
Vendor Total					745.80	0.00
KNAPP Eliza Knapp						
6/3/24-6/14/24	06/13/24	Close	ARB x 3 Days		525.00	CK003774
ARB 6/17/24-6/28/24	06/24/24	Close	ARB 6/17/24-6/28/		700.00	CK003794
CK003774	06/13/24		Payment	525.00		
CK003794	06/24/24		Payment	700.00		
Vendor Total					1225.00	0.00
LOWSWINNEY Low Swinney Evans & James						
8321	06/21/24	Close	Legal Matters		694.50	CK003778
CK003778	06/21/24		Payment	694.50		
Vendor Total					694.50	0.00
MARTINS Martin's Office Supply						
167108-0	06/06/24	Close	Misc Supplies		125.97	CK003757
CK003757	06/06/24		Payment	125.97		
Vendor Total					125.97	0.00

Hood Central Appraisal District

Accounts Payable Detail Report

(Report period: June 1, 2024 to June 30, 2024)

Transaction	Date	Due Date	Reference	Transaction Amount	Original Balance	Current Balance
NACO NACO/South Central						
06142024	06/12/24	Close	Payroll 6/14/24		905.72	CK003766
022224	06/12/24	Close	Nationwide Retire		979.73	CK003769
062824	06/21/24	Close	Nationwide Retire		905.72	CK003779
CK003766	06/12/24		Payment	905.72		
CK003769	06/12/24		Payment	979.73		
CK003779	06/21/24		Payment	905.72		
Vendor Total					2791.17	0.00
NJDHS Nichols, Jackson, Dillard, Hager &Smith						
05312024	06/21/24	Close	Legal Matters		4144.75	CK003780
CK003780	06/21/24		Payment	4144.75		
Vendor Total					4144.75	0.00
PITNEY Pitney Bowes Global Financial						
3319230184	06/12/24	Close	Mail Machine Leas		1104.15	CK003767
CK003767	06/12/24		Payment	1104.15		
Vendor Total					1104.15	0.00
PRITCHARD Pritchard & Abbott						
18892	06/21/24	Close	Mineral Notices		1584.06	Voided
	06/21/24	Cr		-1584.06		
18892*	06/21/24	Close	Mineral Notices		1584.06	CK003781
CK003781	06/21/24		Payment	1584.06		
Vendor Total					1584.06	0.00
READY Ready Refresh						
04E0125918169	06/06/24	Close	Water Cooler		30.73	CK003758
04F0125918169	06/24/24	Close	Water Cooler		30.73	CK003795
CK003758	06/06/24		Payment	30.73		
CK003795	06/24/24		Payment	30.73		
Vendor Total					61.46	0.00
SPECTRUM SPECTRUM						
17188901060124	06/06/24	Close	Internet		167.87	CK003759
CK003759	06/06/24		Payment	167.87		
Vendor Total					167.87	0.00
SPOTLESS Spotless Shine						
24940	06/05/24	Close	Office Cleaning		900.00	CK003760
CK003760	06/06/24		Payment	900.00		

Hood Central Appraisal District

Accounts Payable Detail Report

(Report period: June 1, 2024 to June 30, 2024)

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Transaction	Date	Due Date	Reference	Transaction Amount	Original Balance	Current Balance
SPOTLESS	Spotless Shine					(continued)
			Vendor Total		900.00	0.00
SUNLIFE	Sun Life Financial					
070124-073124	06/21/24	Close	Dental Insurance		930.92	CK003782
CK003782	06/21/24		Payment	930.92		
			Vendor Total		930.92	0.00
SUPPLIESHOT	Supplies Hotline					
53097	06/06/24	Close	Toners x 14		1357.30	CK003761
53190	06/21/24	Close	Toner x 5		544.75	CK003783
CK003761	06/06/24		Payment	1357.30		
CK003783	06/21/24		Payment	544.75		
			Vendor Total		1902.05	0.00
SWD	Southwest Data Solutions					
34757	06/06/24	Close	Mineral Conversion		250.00	CK003762
34664	06/06/24	Close	Print/ProcessNotice		8204.98	CK003762
34796	06/21/24	Close	Monthly Maintenan		5165.90	CK003784
34795	06/21/24	Close	Online Backup		150.00	CK003784
CK003762	06/06/24		Payment	8454.98		
CK003784	06/21/24		Payment	5315.90		
			Vendor Total		13770.88	0.00
TAAD	TAAD					
CHRISTYCOURSE10	06/21/24	Close	Course 10 Registrat		350.00	CK003785
CK003785	06/21/24		Payment	350.00		
			Vendor Total		350.00	0.00
TURF WORKS	Turf Works Landscape					
991376	06/21/24	Close	Mowing May		250.00	CK003786
CK003786	06/21/24		Payment	250.00		
			Vendor Total		250.00	0.00
UNITED	United Healthcare					
179488644382	06/21/24	Close	Group Health Insur		22216.86	CK003787
CK003787	06/21/24		Payment	22216.86		
			Vendor Total		22216.86	0.00

Hood Central Appraisal District

Accounts Payable Detail Report

(Report period: June 1, 2024 to June 30, 2024)

Transaction	Date	Due Date	Reference	Transaction Amount	Original Balance	Current Balance
UNUM	Unum Life Insurance					
07012024	06/24/24	Close	Life Insurance		80.00	CK003796
CK003796	06/24/24		Payment	80.00		
Vendor Total					80.00	0.00
WC	WC of Texas					
3121857V193	06/06/24	Close	Trash Pickup		48.62	CK003763
CK003763	06/06/24		Payment	48.62		
Vendor Total					48.62	0.00
WISECHEM	Wise/Chem Safe Pest Control					
320090	06/21/24	Close	Exterminator Servic		75.00	CK003788
CK003788	06/21/24		Payment	75.00		
Vendor Total					75.00	0.00
XEROX	Xerox Corp					
021519620	06/12/24	Close	Copier Rental		148.69	CK003768
021519619	06/12/24	Close	Copier Rental		148.69	CK003768
CK003768	06/12/24		Payment	297.38		
Vendor Total					297.38	0.00
Report Total					74853.55	0.00

June Financials - Non-routine Payments

Check #	Payee	Explanation
3770,3789	Michael Bezeredi	ARB Per Diem 6/3-6/28
3751	BIS	Website Hosting Yearly Fee
3790	Card Service Center	Kitchen/Bathroom Supplies, TDLR Renewal DE & PC, Omnidirectional Microphone, Webcam,
3771,3791	William Fitzpatrick	ARB Per Diem 6/3-6/28
3772,3792	Sidney Fuller	ARB Per Diem 6/3-6/28
3748	HCAD TAX ACCT	To correct Error in Overpayment CCMUDII
3773,3793	Walter Herrington	ARB Per Diem 6/3-6/28
3764	Jeff Law	Refund amount held in suspension by Nationwide Retirement
3774,3794	Eliza Knapp	ARB Per Diem 6/3-6/28
3778	Low Swinney Evans	Existing Litigation : Nicholas Lee
3757	Martins Office Supply	Coffee Supplies, Cups, Creamer
3780	Nichols,Jackson, Dillard, Hagai	Legal Services: Yogeshwarllc, HEB, Granbury Lodging, MPS Hotels PC Legacy, Sonny Ahuja, Sadeghian, Cresson Real, Store House, MFT Lakehouse
3781	Pritchard & Abbott	Mineral Notices Mailed
3761,3783	Supplies Hotline	Toners x 19
3785	TAAD	Christy Registration Course 10

Action Item 4(b)(1):

Board Action Requested

It is requested the Board receive the financial audit report and discuss and consider taking action to accept the 2023 Annual Audit report as presented by the accounting firm Roberts & McGee, CPA.

Background

The Roberts & McGee, CPA firm were hired in 2023 to perform the annual financial audits for the Appraisal District. This will be the first audit report by Roberts & McGee. Prior to this auditing firm, the district utilized Snow, Garratt and Williams for a number of years.

Cara Hilbrich, CPA, will be presenting the 2023 financial audit and will be able to answer any questions the Board may have.

The 2023 audit report of the district's financial records appear to be an unmodified clean audit report.

Staff Recommendation:

We recommend the following: making a motion to accept the 2023 Annual Audit report as presented.

Action Item 4(b)(2):

Board Action Requested

Discuss and consider taking action to rescind previous action(s) taken by a previous board of the Appraisal District related to establishing the HCAD Home Office Corporation.

Background

This background is intended to provide clarification and is based on information provided from those that may have individual knowledge of these facts. I do not have personal knowledge regarding how or why this entity was created. Jeff Law Chief Appraiser

For several years now, HCAD has been discussing and working towards the possibilities of constructing a new facility to house the appraisal district's operations. Part of those discussions included financing options for the future project. Appraisal districts face certain challenges regarding borrowing money or obtaining loans for new buildings or purchasing land or property. As a result, In April 2021 the Appraisal District Board sought advice from an outside third party lender, regularly used by appraisal districts, concerning the methods appraisal districts use to finance such projects.

The lender recommended the Appraisal District establish a "holding company". This holding company was given the name "HCAD Home Office Corporation". The Board was further advised by the lender that the entity needed to be a non-profit corporation, with the board of the entity having the same members as the HCAD Board. At the May 19, 2021 HCAD Board of Director's meeting, a motion was made to pass a resolution establishing a Texas Non-Profit Corporation for the purposes stated above. The motion and subsequent action was approved by the Board of Directors.

After the board took this action, the Chief Appraiser was supposed to send the documents forming the holding company and adopted resolution to the lender's legal counsel. These documents were to be filed with the Texas Secretary of State to finalize the establishment of the Non-Profit Corporation. However, the documents were never delivered and thereby the Corporation was never officially established (according to the lenders attorney). According to staff, no bank accounts were established in the Corporation's name, no money was deposited into the Corporation and no loans were executed by the Corporation or the HCAD Board.

In October of 2021 there were discussions between the Chief Appraiser, HCAD's attorney, and the current Board Chairman of potentially dissolving the holding company. The attorney advised the Chief Appraiser, through an email, there were other ways to finance a project without the need of a shell organization. However, the details of that financing were not laid out. In November 2021 an action item was placed on the HCAD board agenda for the purpose of discussing and taking possible action to dissolve the holding company, but after discussion no action was taken by the board.

The HCAD Board Chairman placed an action item on the September 21, 2023 agenda to rescind the action taken by the previous board at the May 19, 2021 board meeting for the purpose of dissolving the holding company. After discussion of this item, the board concluded that action wasn't necessary due to the fact that the Corporation was never properly established and therefore, there was no need to

rescind the previous board's action. As a result, the Board took no action at its September 21, 2023 meeting. The minutes of this meeting do not reflect the board took no action.

However, concerns still exist over the steps taken and the reasons behind the establishment of the non-profit corporation. In an effort to address these concerns, the board is being asked to consider once again the decision to rescind the action taken by the Board on May 19, 2021.

Staff Recommendation:

We recommend the following: making a motion to rescind the action taken by the Board of Directors of the Hood Central Appraisal District at the May 19, 2021 board meeting, (Action Item number 12) which adopted a resolution approving the formation of a Texas Non-Profit Corporation and to facilitate real estate transactions, approving any property leases or purchase option agreements.

Action Item 4(b)(3):

Board Action Requested

Discuss and consider taking action to renew the group health insurance with United Healthcare starting August 1, 2024.

Background

The district currently has United Healthcare as its provider for group health for the employees. United Healthcare proposal for renewal is a modest 4.6 percent increase.

The district has been utilizing Higginbotham insurance agents/brokers for a number of years to assist with insurance proposals, renewals and negotiations.

The district's current insurance coverage is from August to July. January to December coverage is a more normal time frame for group health and it coincides with annual deductibles.

The district covers the cost of group health insurance for employees only and allows, if employees elect, that spouses and/or dependents may be on the plan and covered at the employee's expense.

The current annual premium is \$266,602.32. The renewed annual premium will be \$278,946.72

Staff Recommendation:

We recommend the following: making a motion to approve the Chief Appraiser to renew the current group health insurance with United Healthcare.

Action Item 4(b)(4):

Board Action Requested

Discuss and consider taking action to authorize the chief appraiser to purchase the Microsoft 365 suite of software.

Background

The current version of Microsoft Office product installed at HCAD is either Office 2012 or 2016. This installation is a thick client installation in which support for this version ended October 10, 2023 in some cases earlier than that. Many staff members use the Office suite of products daily with Outlook being the most utilized for email communications. However, some employees have to use the Open-Exchange OX webmail system, provided through our Spectrum internet provider, as an alternative due to the fact that the Outlook program on some computers either doesn't work properly or works intermittently.

After the outbreak of Covid-19 in 2020, many organizations were forced into working remotely from home. Many were not prepared for this new paradigm of work, but organizations adjusted. HCAD was also forced into remote work. On a limited basis some remote work is still performed by some. Microsoft 365 will provide access to system files through the One Drive feature while staff is out in the field, attending continuing education requirements or just while away from the office.

Other benefits to migrating to Microsoft 365 may include the following:

- Improve collaboration and visibility, making it easier for teams to access content and share calendars and information;
- Microsoft 365 Enterprise can help identify, block, and address evolving malware and hacking threats, while also adhering to industry standards;
- Device management
- Automating device management operations can save time for both users and IT by eliminating the need for manual updates, downloads, and installations; and
- The cloud-based infrastructure can also provide data protection, regular backups, and disaster recovery options and be scalable if the size of the organization changes over time.

A price quotation was DIR quote submitted to the State by SHI Government Solutions. This pricing is for a three-year agreement and would provide the district with a government based Microsoft 365 solution which does not require third party control of our account. This is the same product the City of Granbury and Hood County operate. The DIR quoted price was \$250.08 per year for each license (25). The total quoted annual cost will be \$6,252.00

Staff Recommendation:

We recommend the following: making a motion to approve the Chief Appraiser to purchase up to 25 licenses of the Microsoft 365 software suite through SHI Government Solutions in an amount of \$6,252.00.



Pricing Proposal
 Quotation #: 24969128
 Reference #: Net New EA
 Created On: 6/12/2024
 Valid Until: 6/30/2024

TX-County of Hood

**Inside Account Manager
 - Public Sector**

Chris Luersen
 PO BOX 819
 Granbury, TX 76048
 United States
 Phone: 817-279-3181
 Fax:
 Email: Support@hoodcad.net

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 290 Davidson Ave.
 Somerset, NJ 08873
 Phone: (732)-317-6938
 Fax:
 Email: Victor_arias@shi.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 O365 G3 GCC Sub Per User Microsoft - Part#: AAA-11894 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 7/1/2024 – 6/30/2025 Note: Year 1 of 3	25	\$250.08	\$6,252.00
2 Teams AC with Dial Out US/CA GCC Sub Add-on Microsoft - Part#: NYH-00001 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 7/1/2024 – 6/30/2025 Note: Year 1 of 3	25	\$0.00	\$0.00
		Subtotal	\$6,252.00
		Shipping	\$0.00
		Total	\$6,252.00

Additional Comments

Please note, if Emergency Connectivity Funds (ECF) will be used to pay for all or part of this quote, please let us know as we will need to ensure compliance with the funding program.

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.