





Denton Central Appraisal District
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DENTON CENTRAL APPRAISAL DISTRICT

BOARD OF DIRECTORS MINUTES

SEPTEMBER 27, 2022

3:00 p.m.

ITEM 1: CONVENING OF MEETING

Roy Atwood convened the meeting at 3:01 pm.

BOARD MEMBERS PRESENT: Roy Atwood
Charles Stafford
Alex Buck
Ann Pomykal
David Terre
Michelle French, Ex Officio Member

STAFF PRESENT: Don Spencer, Kim Collins, Misty Baptiste

OUTSIDE COUNSEL: David Tabor - Perdue, Brandon, Fielder, Collins
and Mott, LLP

ITEM 2: ESTABLISHMENT OF QUORUM

ITEM 3: INVOCATION AND PLEDGES

Invocation was given by Michelle French.

The Pledge of Allegiance was stated to the U.S. Flag and Texas Flag by all who were present.

ITEM 4: OPPORTUNITY FOR PUBLIC TO ADDRESS THE BOARD OF DIRECTORS

PERSONS DESIRING TO ADDRESS THE BOARD OF DIRECTORS MUST FILL OUT A SPEAKER'S CARD PRIOR TO THE MEETING. NO PRESENTATION SHALL EXCEED THREE MINUTES. THE BOARD CANNOT DELIBERATE ON ANY SUBJECT THAT IS NOT INCLUDED ON THE AGENDA.

No one present to address the Board

ITEM 5: CHIEF APPRAISER'S REPORT
INTERIM CHIEF DON SPENCER

A. DENTON CAD INITIATIVES

- Moving forward - out of protest season and into reappraisal

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- With the software company we do have the licenses in place for the appraisers to start field work using the mobile appraisal software - have a little bit of brush up and training for the appraisers due to updates - big push right now to get them out and inspecting and identifying changes
 - Continued focus on communication with the public and the taxing entities - want to utilize local media to make the public aware of the different cycles we are in - and what they can expect from us
 - Has had the opportunity to visit with some of the entities over the last week and a half and through that want to tap into them as a resource for communication
 - Working on addressing concerns from the entities over the so that there can be more improvement looking ahead
 - Would like to visit with some neighboring CAD's to get an idea of putting a portal in place for the taxing entities so they can have a dashboard - track protests, how many protests there are, exemptions, any points of information that would help them prepare for budgets
- B. UPDATE ON HS EXEMPTION PROGRESS**
- Started the year out behind - when DCAD sent out the letters that are required to be sent to notify homeowners that they do qualify for an exemption - sent out 15K letters at the beginning of the year and immediately received 9K back to process - with a large influx of applications and limited staff it was a difficult start
 - Temps from agency were brought in to specifically process HS exemptions
 - Down to 836 pending HS applications right now
 - Currently receive about 200-300 applications a week.
 - In November and December - we will start getting more in again due to those moving in/out and reapplying
 - Being able to catch up and work to get ahead is a great stride - compliments to the Customer Service team who works to process those as quickly as possible while manning the face to face and phone calls as well
 - Mr. Atwood inquired - how often we are required to send out the letters
 - Mr. Spencer responded - only once a year in January
 - Part of the applications which are currently pending are pending due to lacking documentation from taxpayer
 - True Roll will help with Homestead Exemption process and they are in the phase that they can test and to date have tested about 350 properties - have identified small adjustments that need to be made to import application - working through all rules
 - Those applications that will take some more focused time are the Disabled Veterans and Disabled Persons applications
 - Feeling very confident about the progress of that project
- C. RECEIPT OF PRELIMINARY MAP REVIEW RESULTS**
- Mr. Spencer received an email from the MAP (Methods and Procedures) Reviewer at the Comptroller's office.
 - Review is conducted every other year
 - Email was sent with preliminary results - official results will be sent later this year - out of 92 questions that are asked as a part of the review. Of those 92

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questions, Denton CAD received no “No’s” and no recommendations for corrections or more information.

- There are 5 mandatory Categories - met all requirements for that.
- Denton CAD received a perfect score. Our procedures are sound and appropriate and we are following everything according to the tax code.

D. MEETINGS WITH ENTITIES

- Mr. Spencer has been meeting with several entities either at his request or their request.
- Putting his best foot forward to listen to questions and give them confidence that DCAD is moving forward.

Ms. Ann Pomykal asked a question about MAP in the past and whether we have had an issue passing to which Mr. Spencer said we have not had a problem in the past.

Mr. David Terre stated that an area where we are doing much better is communication. We There was some good input from the first budget proposed and the changes reflect that. Input has been good and we have made adjustments where necessary. Encouraged communication to continue to be a priority.

Mr. Alex Buck asked about the timeline of True Roll. Are we looking at first quarter-ish before it will be able to make an impact for DCAD. Mr. Spencer stated that there is an opportunity at the end of November/beginning of December that it is working for us like it should.

ITEM 6: CONSENT AGENDA

THE ITEMS ON THE CONSENT AGENDA ARE CONSIDERED SELF-EXPLANATORY BY THE BOARD AND WILL BE ENACTED WITH ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION ON THESE ITEMS UNLESS A BOARD MEMBER OR CITIZEN SO REQUEST.

A. APPROVAL OF MINUTES OF THE PREVIOUS BOARD OF DIRECTORS MEETINGS

Ann Pomykal made a motion to approve all items on the Consent Agenda. Charles Stafford seconded the motion. The motion passed and the vote was unanimous.

ITEM 7: DISCUSS AND APPROVE AWARD OF BID FOR BANK DEPOSITORY FOR 2023-2024

Mrs. Kim Collins introduced the depository to the Board members. Denton CAD engaged Valley View Consulting to help with the depository bid process. This company handles a wide range of monetary transactions and this is all they do - a group of retired financial professionals. Denton CAD feels confident in their recommendations once they have walked through all the needed information. Must have a new depository in place by December. State law says it can be done in two, 2-year increments. The last depository was done in 2018 to begin in 2019. Had three companies on the interest phone call that was put together by Value Consulting. Two companies actually submitted bids - Wells Fargo and Independent

Bank. Recommendation from Valley View Consulting was to go with Wells Fargo. They are very responsive and very customer service oriented. They are the best option for the district and gives the Chief the option to engage in the contracts which would begin January 1, 2023. This is a 4-year agreement. At the end of the 2nd year we have the option to renew at the prevailing terms of the time. Already seeing the benefits with changing this account structure.

Charles Stafford made a motion to approve the depository bid for 2023-2024 to Wells Fargo and authorize Chief Appraiser to execute any necessary documents. Alex Buck seconded the motion. The motion passed and the vote was unanimous.

ITEM 8. PUBLIC HEARING FOR THE 2023 DENTON CAD BUDGET

The floor was opened for any comments from the public.

TJ Gilmore, Mayor of Lewisville spoke to thank the Board for all the work they are doing. City of Lewisville is fully supportive of the staffing needs of Denton CAD. Questions from the Proposed Budget - asked for communication with the stakeholders of a 2-3 year plan of where we are and where we would like to be. Would like to see that down on paper and get buy-in from the entities. Another question from Mayor Gilmore and other elected officials - the reserves of Six Million dollars seems to be high - without knowing the policies of why it is the way it is or why it is being held and what is the intention to do with that. What is the vision for that?

Ann Pomykal moved to close the Public Hearing. Charles Stafford Seconded. The motion passed and the vote was unanimous.

ITEM 9: CONSIDER AND ADOPT THE 2023 DENTON CAD BUDGET

David Terre commented on the intent and necessity of better communication which was discussed earlier in the meeting and was identified as a priority moving forward.

Alex Buck commented on the reserves of Six Million Dollars and asked if the intention is to buy, rent, build for the future building of Denton CAD. Kim Collins stated that 1 Million Dollars is intended to buy down allocations, 1.7 Million is earmarked for future building, TCDRS portion if there is any liability that would need to be bought down, a portion is allocated for unforeseen legal possibilities, there is a possibility for some to be reallocated if the Board decided to do that. Money can continue to be put towards the possibility of a new building as not to ask the entities for as much in the future. 1 million was allocated to buy down Denton CAD's contribution.

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Ann Pomykal made a motion to approve the 2023 Denton CAD Budget as presented. David Terre seconded the motion. The motion passed and the vote was unanimous.

ITEM 10: ADJOURN TO EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.074 OF THE TEXAS GOVERNMENT CODE FOR THE FOLLOWING PURPOSES:

- A. DELIBERATION ON PERSONNEL MATTERS - DISCUSS CHIEF APPRAISER SEPARATION AGREEMENT/DISCUSS APPOINTMENT OF NEW CHIEF APPRAISER
- B. UPDATE ON ACTIVE LITIGATION
- C. CONSULTATION WITH LEGAL COUNSEL

Board went it to Executive Session at 3:28

ITEM 11: RECONVENE TO OPEN SESSION AND TAKE ACTION ON ANY NECESSARY ITEMS DISCUSSED IN EXECUTIVE SESSION

Board reconvened following Executive Session at 4:37

Alex Buck moved that the Board retain Fanning, Harper to negotiate a contract for employment of Don Spencer as the Denton Central Appraisal District Chief Appraiser. Ann Pomykal seconded the motion. The motion passed and the vote was unanimous.

ITEM 12: DISCUSS/SET NEXT MEETING DATE AND FUTURE AGENDA ITEMS

Next meeting is Thursday, October 13 at 3:00.

ITEM 13: ADJOURN

Chairman, Roy Atwood, adjourned the meeting at 4:38