Denton Central Appraisal District
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DENTON CENTRAL APPRAISAL DISTRICT

BOARD OF DIRECTORS MINUTES

FEBRUARY 13, 2025

3:00 p.m.

ITEM 1: CONVENING OF MEETING

Ann Pomykal convened the meeting at 3:03 pm.

BOARD MEMBERS PRESENT:	Alex Buck Rick Guzman Mike Hennefer	Lisa McEntire Ann Pomykal Dawn Waye
BOARD MEMBERS ABSENT:	Rob Altman, Angie Cox, Charles Stafford	
STAFF PRESENT:	Don Spencer, Jeanne Ashlock, Chris Littrell, Kim Collins, Misty Baptiste, Daniel Gonzalez	

ITEM 2: ESTABLISHMENT OF QUORUM

ITEM 3: INVOCATION AND PLEDGES

Invocation was given by Dawn Waye.

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

ITEM 4: SWEARING IN NEW BOARD OF DIRECTORS

Oath administered to Mike Hennefer and Dawn Waye by Misty Baptiste for those new Board members taking office as of January 2025 as elected by the entities.

ITEM 5: ELECTION OF OFFICERS FOR BOARD OF DIRECTORS

Nominations were open for elections of officers among the Board of Directors
Nominations for Chairman - Ann Pomykal nominated Alex Buck for Chairman - Nomination was seconded by Lisa McEntire - There were no other nominations and no discussion - Vote was Unanimous - Alex Buck appointed Chairman

Nominations for Vice Chair - Rick Guzman nominated Ann Pomykal - Nomination was seconded by Lisa McEntire - There were no other nominations and no discussion - Vote was unanimous - Ann Pomykal appointed Vice Chairman

Nominations for Secretary - Lisa McEntire nominates Angie Cox for Secretary - Nomination was seconded by Ann Pomykal - There were no other nominations and no discussion - Vote was unanimous - Angie Cox appointed Secretary

ITEM 6: 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 Public Comments from those present.

ITEM 7: PRESENTATIONS AND REPORTS

A. BOARD MEMBERS ORIENTATION - OUTSIDE COUNSEL, DAVID TABOR - PBFCM LAW FIRM
   - David Tabor offered a presentation on the roles and responsibilities of the Appraisal District Board of Directors and fielded questions from those Board members present.

B. CHIEF APPRAISER REPORT - DON SPENCER
   - Welcomes the new members and appreciates their willingness to serve.
   - Legislative Packet provided to board - 285 bills currently filed relating to property taxes - still a month for bills to be filed
   - Don Spencer has become a member of the TAAD Legislative Committee at the request of the Board.
   - Mr. Spencer provided a summary of some of the legislative bills that are at the forefront of concern.
   - SB4 - increasing Homestead Exemption from 100K to 140K
   - Rick Guzman inquires about implications of getting rid of ad valorem taxes within the next ten years - usually does not get much traction as there has not been any viable replacement option suggested.

C. APPRAISAL DIVISION UPDATES - DEPUTY CHIEF OF APPRAISAL - CHRIS LITTRELL
   - Provides a handout for Board members - summary/overview of how things happen throughout the year within the Appraisal District. Also provides a summary of each departments responsibilities within the Appraisal Division
   - Within the process of software conversion - there are clear metrics - currently working to determine what is most helpful to appraisers, but also to the entities

D. ADMINISTRATION DIVISION UPDATES - DEPUTY CHIEF OF ADMIN - JEANNE ASHLOCK
   - Oversees the administrative side of the district
   - General update on software conversion that began in November - always growing pains and still an ongoing process
   - Mike Hennefer - poses the question of how much money staffing wise will the district be able to save with the new software -will that be trackable? What is the efficiency that is created? Is there a use for AI in the future? Could it offer the possibility to make the district more efficient?
   - All departments preparing for protest season - working towards getting public and agent portal up and running, adding in conferencing

- IT - is working towards building ARB rooms with everything that could be beneficial for hearings
- Leadership will begin meeting at end of the month to discuss processes during protest season
- Website is up and running - still making tweaks everyday
- Looking at adding a feedback button on the website - to replace the current comment card available as a walk-in for the office
- Exemptions backlog - were down to 5-6K in Spring 2024, during protest season - applications are not processed as other priorities take precedence and then there was the system shutdown during conversion
- Applications have grown to 12K currently needing to be processed - in January - received 2500 and processed approximately 5K - currently have about 8500 applications to process - exemptions can now be filed online - Denton CAD is asking the public not to file duplicates
- Also in the news - clarification - Homesteads do not have to be reapplied for every year - Denton CAD reviews on a 5 year rotation
- Provides a handout to the Board on staffing - Budgeted for 125 positions, currently have 100 staffed - 25 openings - 80% staffed currently - will be hiring temps for protest season
- Call Volume Summary - 6249 in January 2025
- Help Desk tickets Summary - 10474 total interactions for January 2025

E. TLO REPORT - DANIEL GONZALEZ - TAXPAYER LIAISON OFFICER

- Handout provided to the Board - based on his 2024 evaluation from the board - created a log of Taxpayer complaints, inquiries, requests - 31 submissions to TLO from December 2024 - all complaints have been responded to - some complaints have a little bit longer response time due to research needed
- ARB Guidelines - main goal was to establish expectations for officers and members
    - Recommendation for the board to create a job description and expectations for the ARB members
    - Mike Hennefer requests that Daniel Gonzalez make a recommendation of the job description - ARB Guidelines were provided and Board can take this and make adjustments and recommendations

<u>ITEM 8: CONSENT AGENDA</u>

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 FROM THE PREVIOUS BOARD OF DIRECTORS MEETINGS
B. ACKNOWLEDGE RECEIPT OF MONTHLY FINANCIAL STATEMENTS
C. ACKNOWLEDGE RECEIPT OF VALUE CHANGES SEC. 25.25(B) TAX CODE

Ann Pomykal made a motion to approve the consent agenda in its entirety. Rick Guzman seconded the motion. The motion passed and the vote was unanimous.

ITEM 9: DRAW FOR TERM LENGTH FOR ALL ENTITY ELECTED BOARD MEMBERS

Don Spencer explains the requirement to stagger term lengths - for a 1-year term or a 3-year term. Texas Tax Code recommends a random draw to make the determination.

Based on the random draw of those Board Members present the following terms are in place.

- Rob Altman will serve a 3 year term.
- Alex Buck will serve a 3 year term.
- Mike Hennefer will serve a 1 year term.
- Ann Pomykal will serve a 1 year term.
- Charles Stafford will serve a 3 year term.

ITEM 10: DISCUSS AND POSSIBLE ACTION ON REVISIONS OF BOARD POLICIES AND PROCEDURES

Alex Buck makes a recommendation to move this discussion and action until a future meeting after the TAAD conference and the education and information the Board will receive there.

Most of the current recommended changes are suggested feedback from Angie Cox.

Those present support the recommendation to postpone discussion of revisions and actions until a future meeting.

Rick Guzman moves the discussion and possible action surrounding the revisions of the board policies and procedures is tabled until a future date. Mike Hennefer seconded the motion. The motion passed and the vote was unanimous.

ITEM 11: CONSIDER AND TAKE ACTION ON PENALTIES AND INTEREST FOR OUTSTANDING FIRST QUARTER ALLOCATIONS

Board of Directors were provided a memo of what was sent out and how many entities have not yet paid as of December 31, 2024. Large number of allocations not yet paid due to how budgets fall and scheduled meetings. Kim Collins has denoted those that have subsequently been paid since this summary was created.

Board members conducted a discussion concerning the pros and cons of assessing or waiving the penalties and interests.

Lisa McEntire made a motion to waive penalties and interest on outstanding first quarter allocations. Ann Pomykal seconded the motion. The motion passed with a 5-1 vote, Rick Guzman voted against.

ITEM 12: DISCUSS, CONSIDER, APPOINT ARB MEMBERS FOR 2025 TAX YEAR - DANIEL GONZALEZ, TLO

To date have received 4 additional applications for ARB for 2-year term for January 2025-December 2026. TLO recommends that Board appoints all 4 members who have applied. Daniel Gonzalez confirms they have confirmed with applicants that they are eligible and can meet the attendance requirements. Mike Hennefer asks if there have been any applications denied - had 42 original members - some have already resigned - All received applications will be presented to BOD - these 4 get us to 39 members - still would like to have a total of 42 members.

Rick Guzman made a motion to approve the four new applicants to the ARB. Mike Hennefer seconded the motion. The motion passed and the vote was unanimous.

ITEM 13: ADJOURN TO EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.074 OF THE TEXAS GOVERNMENT CODE FOR THE FOLLOWING PURPOSES: (AS NEEDED)

A. DISCUSS PERSONNEL MATTERS
B. CONSULTATION WITH OUTSIDE COUNSEL ON ACTIVE LITIGATION

Don Spencer had nothing to discuss in executive session therefore the Board of Directors did not Adjourn.

ITEM 14: RECONVENE TO OPEN SESSION AND TAKE ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Did not adjourn to Executive Session - no need to reconvene and no action taken

ITEM 15: DISCUSS FUTURE AGENDA ITEMS

- Board Policies and Procedures
- Mike Hennefer requested a CAD tour with in-depth of ARB technology and software

ITEM 16: CALENDAR 2025 MEETING DATES

- March 13, 2025

ITEM 17: ADJOURN

Alex Buck, adjourned the meeting at 5:32.

Alex Buck, Chairman

ATTEST:

Angie Cox, Secretary