



Denton Central Appraisal District
3911 Morse Street
Denton, TX 76208

 (940) 349-3800
 www.dentoncad.com

DENTON CENTRAL APPRAISAL DISTRICT
BOARD OF DIRECTORS MINUTES

MAY 9, 2024

3:00 p.m.

ITEM 1: CONVENING OF MEETING

Roy Atwood convened the meeting at 3:00 pm.

BOARD MEMBERS PRESENT: Roy Atwood
Charles Stafford
Alex Buck
Ann Pomykal
Michelle French

BOARD MEMBERS ABSENT: David Terre

STAFF PRESENT: Don Spencer, Chris Littrell, Jeanne Ashlock,
Misty Baptiste

STAFF ABSENT: Kim Collins

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.

Dr. Jamie Wilson - Denton ISD Superintendent - praises the progress of the District over the last several years with technology improvements and staffing additions - Has a budget comment for consideration today - reminder to the board to take into account the impact on school districts - careful of taking out of buckets that DISD is pulling from - expecting \$750 increase per student - school districts don't receive additional funding from the state. ISD's in Denton County are working in a negative space - anything that can be done to help mitigate costs to ISD's would be appreciated.

Dr. Lori Rapp - Lewisville ISD Superintendent - echoes Dr. Wilson's comments surrounding school finance decisions - Lewisville ISD is dealing with a 17 million dollar shortfall since the basic allotment was not addressed in the legislative session and it hasn't been addressed since 2019 and inflationary expenses are challenging for school districts. Lewisville ISD has reduced over 100 positions at this time based on enrollment declining. Lewisville ISD Board discussed for the first time in 5 years the potential of not being able to provide compensation raises to staff. An increase to the DCAD budget will force LISD to cut more positions. Asks for help with advocacy for the Public Schools at the Legislative level determining how property taxes are used and allocated to school districts.

ITEM 5: CAD UPDATES

A. CHIEF APPRAISER REPORT - DON SPENCER

- a. ARB hearings began at the beginning of the week - started off a little lighter with scheduling - feedback from ARB changes have been good - more structured environment - not so chaotic and much more calm than in the past - benefiting from planning in fall for changes to improve processes
- b. Roy Atwood asks how the check-in process is going - the new system is working very well - helped structure and organize chaos. There was some confusion with check-ins and how to clarify what taxpayers are here for
- c. Don Spencer has spoken to Robson Ranch via Zoom call - went well with questions over an hour and a half - was very helpful and very highly attended - Also spoke to Frisco Lakes - Lunch and Learn program - fielded questions on spot - continue to build relationship with public - believe there continue to be positive changes to make
- d. Hosted Entity Luncheons on April 24-25 and presented objectives with moving forward with values and budget - received good feedback from the entities - would like to move those up in April if possible.
- e. Auditors were on site last week - Kim did a wonderful job to coordinate everything they needed - anticipate to have finance report in June to present
- f. Will have to have a small roof repair at the south end of 3911 building - will start that project on Monday.
- g. Ann Pomykal comments - about entity meeting - feedback was good on knowledge provided at entity meeting

B. APPRAISAL DIVISION UPDATES - CHRIS LITRELL

- a. Passed out current stats to the board of current Equalization phase
- b. "This is the season where property owners rights are reserved and we are in the business of preserving property owner rights"
- c. Had the opportunity to talk with property owners - many times we find they just want to be heard and want to express concerns - many owners don't comprehend the system of what we can and can't do - NAV lists Market, Appraised and Taxable Values - many property owners don't understand those items and the limitations those have - education of the public is so important so the Property owners understand their rights - good news is we have started earlier than past - goal is to run 11 ARB panels when fully staffed

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- d. Each protest reason must be addressed - takes an enormous amount of time and resources - numbers will grow - protests could be less than what we have seen in previous years
- e. Alex Buck asks why number of protests would be less - Market is relatively flat in many cases - could reflect in number of protests that we will see total throughout the season
- f. Still expecting quite a few agent protests to come in closer to the deadline of May 15.

C. ADMINISTRATIVE DIVISION UPDATES - JEANNE ASHLOCK

- a. IT department has been divided into Support and Data - promoted an IT Data Supervisor, Paul DeLeon - introduced Paul to the Board and discussed his qualifications for the role to bridge the gap between appraisal and data use
- b. New Kiosks being used in E and A and Appeals - been helpful for taxpayers and for DCAD staff
- c. Currently at 40 ARB members - lost one
- d. Phone calls and Help desk tickets are both up for the month of April.
- e. Roy Atwood asks for update on software - Mr. Spencer says we are still working on finishing touches on subscription agreement - will begin planning phases of implementation later in the summer
- f. Michelle French asks - Will the website be updated with live data or will it be frozen as hearings are processed? Website will possibly be frozen while BPP renditions are entered and coming in - want to keep values at notice values - until roll is approved and certified - very much a moving data set on values is hard until certification - current vendor can't just freeze certain tables - will update every few weeks when first time notices are sent out primarily for BPP
- g. Alex Buck asks - How often is Real Property refreshed on website? Every time we do a new run

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 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. Alex Buck seconded the motion. The motion passed and the vote was unanimous.

ITEM 7: BUDGET WORKSHOP

Don Spencer presents the budget packet - a few adjustments have been made since entity meeting- nearly 200K reduction made - 70% of budget is for new staff -which includes 14 new positions - 7 exemption specialists, 4 new residential appraisers, 1 new residential assistant director for more supervision, 1 BPP appraiser, Director of

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Human Resources, and a Director of Public Outreach - want to continue to improve community outreach - offer more resources to public - communication with public of plans and projects for the district - to receive input from taxing entities and public, response to media, expert in communication and outreach county wide as far as serving property owners - education comes only at protest time - want to make that something that happens year round

Alex Buck - How much are we budgeting for staff pay increases - maximum of 5% for COLA and merit - gave a 3% increase in 2023.

Ann Pomykal - what is the process of looking at retiree benefits? There is a not a set standard - there is no COLA for retirees in the 2025 budget currently. Denton CAD typically does an increase every 5 years for retirees COLA.

Ann Pomykal asks about 5% staff increase - are we above average? Are we in the middle? Are we below? Mr. Spencer has completed a salary study - we are right at the median level for market pay - no categories we are super high or super low on - we offer a very competitive pay scale and benefits

Charles Stafford - would love to see other entities weigh in on 5% pay increase - fundamentally unfair to ask districts to cut teacher pay to pay our employees.

Roy Atwood - curious to know what cities are doing as far as pay increases - the few that Mr. Spencer talked to are doing 5-7% increase

BUDGET HIGHLIGHTS

- Education and Training - need additional funds to train the additional staff growth
- Services Received - all contracts and subscription
- ARB - increasing by 4 members
- Oil and Gas Contract increased
- Legal Services - needs to have more funds as commercial properties are added to Denton County - lawsuits will increase and have to be able to fight due to holding taxable value and not eroding values
- Budget increased in election costs - November election will be twice the costs of what May 2024 was
- Have cut out as many subscriptions as possible
- Utilities and Maintenance - increase in IT due to changing CAMA system and running both providers.
- Capital - did trim back furniture and equipment budget due to appraisers being in cubes - added 250K for building and land improvement - will need to be able to pay for architect and civil engineer
- printing and postage decreased by 40K - have a company to handle those items more efficiently - were paying temps to stuff envelopes - this will allow us to save those costs

Alex Buck asks how long is CAMA Contract - 3 year agreement with them
Proposed budget just over 24 million - asking taxing entities to fund approximately 22.9 Million

Alex Buck asks about interest and how we can use that better and anticipate increases.

Use of Quadient has allowed us to cut back on one temp for this year

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Don Spencer has a lot of reservations about opening up work from home options - won't be able to assist taxpayers - opens up CyberSecurity risk

Ann Pomykal - can we take any more from reserves? We are holding 1.7 million for real estate expansion - Mr. Spencer will take another look at reserves to see what can be done

In 2023 used 1 million in reserves

In 2024 750K used in reserves

In 2025 1.5 million used in reserves

ITEM 8: ADJOURN TO EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.074 OF THE TEXAS GOVERNMENT CODE FOR THE FOLLOWING PURPOSES:

- A. DISCUSS PERSONNEL MATTERS
- B. CONSULTATION WITH OUTSIDE COUNSEL ON ACTIVE LITIGATION
- C. DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY
- D. DELIBERATE SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION TECHNOLOGY

Adjourn to Executive Session at 4:15.

ITEM 9: RECONVENE TO OPEN SESSION AND TAKE ACTION ON ANY NECESSARY ITEMS DISCUSSED IN EXECUTIVE SESSION

Reconvene from Executive Session at 5:00.

Alex Buck made a motion to authorize the Chief Appraiser to find and engage a real estate broker to explore and find a future facility that will meet DCAD's needs. Charles Stafford seconded the motion. The motion passed and the vote was unanimous.

ITEM 10: NEXT MEETING MAY 15, 2024 at 3:00/DISCUSS FUTURE AGENDA ITEMS

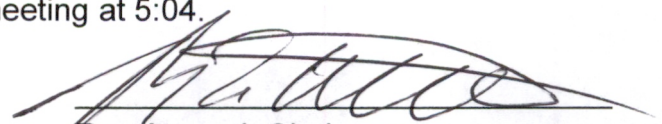
Must have a meeting to canvass and certify the election - recommended by Denton County Elections Office.

Quorum not required - 2 people would meet the needed quorum

Next regularly scheduled meeting June 13, 2024

ITEM 11: ADJOURN

Chairman, Roy Atwood, adjourned the meeting at 5:04.



Roy Atwood, Chairman

ATTEST:



Ann Pomykal, Secretary