Denton Central Appraisal District
3911 Morse Street
Denton, TX 76208

(940) 349-3800
www.dentoncad.com

DENTON CENTRAL APPRAISAL DISTRICT

BOARD OF DIRECTORS MINUTES

JULY 10, 2025

3:00 p.m.

ITEM 1: CONVENING OF MEETING

Alex Buck convened the meeting at 3:00 pm.

BOARD MEMBERS PRESENT: Alex Buck, Angie Cox, Rick Guzman, Mike Hennefer, Lisa McEntire, Ann Pomykal, Charles Stafford - 3:07

BOARD MEMBERS ABSENT: Rob Altman, Dawn Waye

STAFF PRESENT: Don Spencer, Chris Littrell, Jeanne Ashlock, Misty Baptiste, Kim Collins, Daniel Gonzalez

ITEM 2: ESTABLISHMENT OF QUORUM

ITEM 3: INVOCATION AND PLEDGES

Invocation was given by Angie Cox.

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 public present to make comments

ITEM 5: PRESENTATION AND ACCEPTANCE OF 2024 FINANCIAL AUDIT

Scott Scarborough and Travis Price representatives from the Audit Team. Engaged to audit the financial statements - and create the report. Unmodified (clean) audit report - meaning the statements are correct and can be relied upon.

- Fund Balance - For 2024 - $10,198,187 in 2023 - $8.47 Million - sitting at 54% of annual expenses
- DCAD has a Net Pension Asset - 2 million over Funded
- Looking at the District's Financial Statement - DCAD is in Sound Financial Condition

- Mr. Scarborough opens the floor for questions - will be keeping an eye on Comp time and Vacation time - as far as liability towards the district
- Ann Pomykal asks if there is any advice for the District? Mr. Scarborough states that maintaining a sound financial condition - is finding that sweet spot - not making too much money but making enough to keep things on a steady pace
- According to the auditors, Denton CAD is in much better shape than most other districts

ITEM 6: PRESENTATIONS AND REPORTS

A. CHIEF APPRAISER REPORT - CHIEF APPRAISER, DON SPENCER

a. As of today, Protest Season is almost finished - ARB is starting to wind up
b. Certification timeline is on target - scheduled to certify on July 25
c. Will immediately send out certified totals to entities
d. Have contacted tax offices to make sure to start tax rate calculations for assessment and collection phase in October/November
e. Legislative Updates - summary of house and senate bills that were passed into law provided to the Board - all of this new legislation will be a press on resources here at the DCAD - will potentially change many processes and procedures of how things are done at the district
    i. HB 9 - BPP exemption to 125K - effective January 1, 2026 - potential effect of 2 Billion Dollars county wide
    ii. HB 21 - clarified how properties can be made exempt
    iii. HB 148 - training and eligibility for Board Members - effective January 1, 2026
    iv. HB 1244 - open space (ag) valuation allowance with automatic transfer
    v. HB 2730 - re-application limits for homesteads - effective May 24, 2025
    vi. SB 4 - Joint Resolution - increase HS Exemption to 140K - effective retroactively January 2025 - on implementation will be a very quick turn around - with a creation of 2 tax rolls representative of each exemption amount
    vii. SB 23 - increasing OV 65 to 60K from 10K - will cause the same creation of 2 different tax rolls
    viii. SB 1951 - rendition must be sent by certified mail - effective September 2025
f. Governor Abbott issued proclamation of 18 agenda items as of yesterday for Special Sessions to begin on Monday, July 14, 2025 - including "reducing the property tax burden on Texans"
g. 2026 Budget was approved through no disapprovals from entities
h. Public Relations - there have been several opportunities and outreach efforts for staff to answer FAQ's and media inquiries
i. Publicly express gratitude to the team of Denton CAD for their long hours, hard work, and teamwork - continue to pivot and create a smooth process for the taxpayers
j. Ann Pomykal - expresses gratitude for the work Denton CAD has done over the last many years

B. ADMIN DIVISION UPDATES - DEPUTY CHIEF OF APPRAISAL, CHRIS LITTRELL
   a. Hands out printout of stats provided by all appraisal departments
   b. Record number of over 142K Protests filed this year
   c. Currently at 95.9% to certification by July 18 should be closer to 100% towards certification
   d. Online is definitely becoming the preferred method for filing protest

C. ADMIN DIVISION UPDATES - DEPUTY CHIEF OF ADMINISTRATION, JEANNE ASHLOCK
   a. Hands out printout of stats provided by administration departments - including numbers of help desk tickets and phone calls and staffing update
   b. Currently 107 FTE - with 15 temps filling positions for the seasonal activities - most temp positions will no longer be needed by the August 2025 meeting

D. TLO REPORT - TLO, DANIEL GONZALEZ
   a. Hands out a TLO Report to Board Members
   b. Received Over 200 emails and 100 voicemails/phone calls - with taxpayer concerns
   c. Mainly questions about the portal - providing education to taxpayers - only 17 complaints about ARB - all have been followed up on - most are filed due to unhappiness with the decision made
   d. Will be looking for more applications for the 2026 year and start training earlier - looking at returning members and how many new members will need to be filled for 2026

ITEM 7: 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 moves to approve the entire consent agenda. Charles Stafford seconded. The motion passed and the vote was unanimous.

ITEM 8: DISCUSS PROPOSALS RECEIVED IN RESPONSE TO DCAD JANITORIAL SERVICES RFP

Proposals received included 4 cleaning companies with prices ranging from 33,000-95,000. Ultimately, the committee to accept the contract submitted by Midwest Building Maintenance, Inc for $54,000.

Angie Cox asks for the length of the contract which will be a 12 month contract with an option to renew.

Mike Hennefer asked about how the cost compares to the current company.

ITEM 9: DISCUSS, CONSIDER AND AUTHORIZE CHIEF APPRAISER TO EXECUTE CONTRACT FOR JANITORIAL SERVICES

Lisa McEntire moves to authorize the chief appraiser to execute the contract with Midwest Building Maintenance, Inc. Charles Stafford seconded. The motion passed and the vote was unanimous.

ITEM 10: CONSIDER AND TAKE ACTION ON PENALTIES AND INTEREST FOR OUTSTANDING THIRD QUARTER ALLOCATIONS

Third Quarter penalties and interest - went out on June 1 due by June 30. Most that have not paid have extenuating circumstances due to summer hours or budget cycles. Kim Collins asked the board to consider waiving penalties and interest.

Rick Guzman commented that the legislation fell short on what the definition of "good cause is" which would have provided better guidelines.

Lisa McEntire moves to approve the request to waive penalties and interests on the outstanding third quarter allocations. Charles Stafford seconded. The motion passed and the vote was unanimous.

ITEM 11: DISCUSS, CONSIDER, APPOINTMENT OF ARB MEMBERS FOR 2026 TAX YEAR - DANIEL GONZALEZ

ARB has received three applications for 2026 for a 2 year term starting in 2026.

Charles Stafford moves to appoint those 3 appointments for 2 years. Ann Pomykal seconded the motion. The motion passed and the vote was unanimous.

ITEM 12: 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. DELIBERATION REGARDING REAL PROPERTY
C. CONSULTATION WITH OUTSIDE COUNSEL ON ACTIVE LITIGATION

Adjourn at 4:15

ITEM 13: RECONVENE TO OPEN SESSION AND TAKE ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Reconvene at 5:12

No items discussed in Executive Session to take action on.

ITEM 14: DISCUSS FUTURE AGENDA ITEMS - NEXT MEETING AUGUST 14, 2025

- Updates on Training - Comparison from when Don took over
- Any discussion about Teams/Committees? Will be discussed in September

ITEM 15: ADJOURN

Alex Buck, adjourned the meeting at 5:13.

Alex Buck, Chairman

ATTEST:

Angie Cox, Secretary