




**Denton Central Appraisal District**  
3911 Morse Street  
Denton, TX 76208

(940) 349-3800  
 [www.dentoncad.com](http://www.dentoncad.com)

## DENTON CENTRAL APPRAISAL DISTRICT

### BOARD OF DIRECTORS MINUTES

JUNE 23, 2022

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, Ex Officio Member

BOARD MEMBERS ABSENT: David Terre

STAFF PRESENT: Hope McClure, Don Spencer, Kim Collins,  
Misty Baptiste

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

#### ITEM 2: INVOCATION

Invocation was given by Michelle French.

#### ITEM 3: PLEDGE OF ALLEGIANCE

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

- Tracy Miller - President of Lewisville ISD School Board - read his letter submitted to the Board requesting to postpone Budget approval by one month.
- Mark Vargas - Mayor of Lakewood Village - spoke to the Board about the high values in Lakewood Village and how he felt they were unfairly appraised.

## Minutes - Board of Directors Meeting of June 23, 2022

- Tracy Runnells - Resident in Denton - applauds DCAD for hiring a Communications Liaison, commented on the report from Petree and the rebuttal, encouraged empathy from DCAD employees, and wanted more information posted about the ARB.
- Ryan Williams - Precinct 1 County Commissioner - asks that DCAD postpone the budget approval until the July meeting.
- Andy Eads - Denton County Judge - disappointed Board did not hear Richard Petree's report in May, disappointed exemptions are not being processed in a timely manner, does not feel confident supporting the budget/board the way things are currently being run.
- TJ Gilmore - Mayor of Lewisville - thinks the website is amazing and nice resource for the county, commented on changing signs on doors and the trouble he had finding the 3901 building, supports delaying the budget by a month, has a problem with no increase in the training budget, but supports the increase in staff.

### ITEM 5: PROGRESS REPORT

#### DON SPENCER - DEPUTY CHIEF APPRAISER

- DCAD is in peak protest season - 100,000 protests have been filed to date.
- Snapshot of June 15 - online system received 1 protest every 20 seconds, 200 property owners in building, 500 help desk tickets, 1,100 phone calls per day.
- Hats off to our team who are helping as quickly and efficiently as possible with the limited resources and personnel - very defeating to them when all they have a heart for service, but all they hear are complaints about the wait time.
- Growth of Denton County means more taxpayers, more properties, more exemption. DCAD receives 500 homestead applications per week right now - we currently have about 7,500 exemptions that need to be processed - we have 7 Customer Service FTEs and additional temps processing the exemptions, between answering the phone and customers walking in needing assistance.
- 20,000 protests have been closed to date through 28 business days - 700-800 closed per day.
- 76,000 protests still under review
- 58 billion in value still under review
- Single Family - 39% - 56K accounts - 22.8 billion under protest
- Commercial - 51% of value - 29 billion under protest
- 11k vacant lots still under review
- 69% of what has been closed was settled informally
- 13% have receive an ARB determination
- 4% protests have been withdrawn
- 15% no show on protests scheduled
- 500 property owners are scheduled per day for ARB
- Running 6 ARB panels at a time

## Minutes - Board of Directors Meeting of June 23, 2022

- 28 hearings per panel per day
- Try not to overbook the ARB - very much a science trying to get things scheduled as efficiently as possible.
- Alex Buck asks - how many exemptions can be processed per day?  
Customer Service priority is walk-ins and phones -  
40-50 per day are processed by temps - temps only work basic HS exemptions, not OV65, DP, or DV HS exemptions
- Ann Pomykal asks on the phone system - is there a possibility to leave their callback name and number for someone to call them back within 48 hours -  
Each day DCAD receives 1,100 to 1,500 calls a day, we do not have the additional staff to return messages left from prior days.
- Roy Atwood asks what is the target for turnaround time? When we get to where we want to be? 90 days (3 months) would be the ideal turnaround time on exemptions.
- Roy Atwood asks how are protests prioritized?  
Residential are done by first in first out - some appraisers are working agent files and some are working individual files.  
Commercial accounts are handled differently - scheduling conflicts with other CADs is a problem - higher property values hold the highest priority

ASHLEY AGUADO - TAXPAYER LIAISON - No Report

### 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
- B. ACKNOWLEDGE RECEIPT OF MONTHLY FINANCIAL STATEMENTS

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: PUBLIC HEARING FOR THE 2023-2024 REAPPRAISAL PLAN

Don Spencer states this is a statutory requirement for the Board of Directors - must be done biennially by September 15th every even-numbered year. Report provides for reappraisal activities and identifies characteristics for each property in the county. The Reappraisal Plan develops appraisal models for each area and defines Market Value as of January 1 in accordance with IAAO and USPAP.

Roy Atwood opens the floor for comments on the Reappraisal Plan. No Comments.

ITEM 8: CONSIDER AND ADOPT THE 2023-2024 REAPPRAISAL PLAN

Alex Buck made a motion to approve the Reappraisal Plan for 2023-2024. Ann Pomykal seconded the motion.

Discussion from Michelle French - Is there benefit to appraising annually? Is there benefit to splitting the county to be appraised every 3 years? Breaking up the county into 3 segments to be worked every 3 years.

Hope McClure expressed concern with not examining the whole county every year in such a rapidly growing market and points out that Denton CAD could not pass a PVS Study and keep values within ratio if they appraised every 3 years - which would lead to ISD's not receiving their full state funding.

Charles Stafford states that in a rising market things would be missed - in a falling market people would be stuck with their values for 3 years.

The motion passed and the vote was unanimous.

ITEM 9: PUBLIC HEARING FOR THE 2023 DENTON CAD BUDGET

Roy Atwood comments on the budget comments offered by those from the public who chose to address the board.

Mark Vargas - reiterates from others comments who have requested to postpone. Since the entities are asking - it would cost less for Denton Cad to postpone.

Jack Martin - a representative from Tan Parker's office - asks that the board take into account the request from the entities.

ITEM 10: CONSIDER AND ADOPT THE 2023 DENTON CAD BUDGET

Alex Buck made a motion to table the approval of the 2023 Budget until the BOD meeting on July 28. Ann Pomykal second the motion.

Discussion:

Ann Pomykal comments that the budget was tabled because people showed up to express either concern.

Charles Safford comments there is very little harm in delay and sees great benefit down the road.

Roy Atwood asks Hope McClure about the difficulty for the District to push the timeline back.

Hope McClure states that her only concern was for the entities to be able to calculate their own budgets and tax rates on time, but since the entities are asking for this, she has no issue with it. She then added that this will provide the entities 30

## Minutes - Board of Directors Meeting of June 23, 2022

more days to express any concerns or ask any questions about the budget that they may have, because prior to this meeting she has not received any questions regarding the budget amount or items in the budget from any Denton County entity. She welcomed all questions and invited the entities to come tour the DCAD facility, meet the DCAD staff and find out the needs of DCAD firsthand.

Motion to table the budget until the July meeting passed and the vote was unanimous.

### ITEM 11: PRESENTATION OF WESTERN VALUATION'S REPORT AND BOARD DISCUSSION

Richard Petree made the presentation of his report to the board. He reminds the board that the focus was primarily on staffing and the building situation. Richard Petree says "nothing he said was intended to be a hatchet job" but to provide opportunities for the District." He provided a definition of Toxic which provided the phrase "causing death and disease" Richard Petree states his goal was to avoid the disease and death of the organization. States that many things in the report were positive. The report was based on IAAO standards and includes many issues that every CAD across the state face. Richard Petree states "I wrote every word in the Denton report." He reminds the board that he sat down with managers and Hope a couple of times and promised all those he spoke with, anonymity. Some were 15-20 minute discussions and some were 2 hours long. Richard Petree claims he did have some former employees and retirees reach out to him individually and there was enough response that caused concern. There is a fear of retaliation and lack of trust across the board in his opinion and Richard Petree provided steps to restore trust to the organization. He also interviewed a couple of the largest taxing units. The entities "want an accurate role in a timely fashion." Richard Petree says, Denton CAD needs more people and people are hesitant to apply. DCAD needs people who can walk in the door and hit the ground running.

Roy Atwood asked a procedural question about when the report was provided. Richard Petree states the copy of the report was provided at 3:05 pm on Friday before the 3-day weekend with the Board meeting on Tuesday. Mr. Atwood asks for clarification if it was the intent of Richard Petree to meet with Hope to discuss the report once it was provided. It was his intent, but "time did not allow".

Alex Buck asked about training and if Richard Petree has any direction on finding trainers. Are there companies out there who provide trainers? Richard Petree explained that because the job of the appraisal district is so specific there is not anyone out there who does training. He reminded the board it takes a minimum of 3 years to get the RPA license and go through the full tax cycle.

Alex Buck asked about the MAP completed and the Perfect Score. Richard Petree states, that is a recent and accurate assessment completed by the Comptroller.

Minutes - Board of Directors Meeting of June 23, 2022

Ann Pomykal addressed that there were some comments in the report that were unfair and asked about the PVS studies where Richard Petree says we have failed. Richard Petree clarifies his comments. Ann Pomykal also asked about hiring by committee and not from top administration. Petree clarifies his intention in that suggestions was to alleviate Mrs. McClure's workload.

Charles Stafford asked Petree, that of the appraisal districts you have assessed, how does Denton compare in how fast the county is growing? Richard Petree states, DCAD is most like Fort Bend. Denton CAD has been behind for a while and needs to play some major catch-up. DCAD is shooting for that to start in August once the budget is approved.

Ann Pomykal asked about the Training Budget which seems to have gone down.

Hope McClure's goal is to have retired CAD employees with industry knowledge come in and train and create in-house training positions. Both of these changes would be reflected in salaries and not the training budget line item.

Alex Buck states that he is encouraged by the recommendations provided by Richard Petree.

Roy Atwood asks about the personnel recommendations in the report. DCAD currently has 87 employees, and Petree recommends 124. The 2023 Budget asks for a total of 105. It is possible that many of DCAD's employees are doing the work of 3 people and can see where that might cause some upset feelings. How much of the negative response Richard Petree received is due to being burned out?

Richard Petree says that is obviously a factor. These are high stress jobs.

Hope McClure and Roy Atwood clarify the yearly FTE count. Future budgets are approved nearly a year in advance. The FTE count listed in that future budget is the max FTE count the District can have that year. Even if there is additional money left in salaries, the District can only hire the posted FTE amount. They would have to amend the budget and get approval to change the FTE count for that year.

Michelle French thanks Richard Petree for his work and for pointing out the strengths and the weaknesses at Denton CAD.

BOARD TAKES A BREAK AT 4:40

RECONVENE AT 4:50

ITEM 12: PRESENTATION BY THE CHIEF APPRAISER - WHAT YOU NEED TO KNOW ABOUT DENTON CAD AND BOARD DISCUSSION

Hope McClure introduces the Interim Communications Liaison - Emer Sanabria.

## Minutes - Board of Directors Meeting of June 23, 2022

McClure then proceeded to discuss the document she created. She begins by explaining the appraisal process and which government entities are responsible for the laws that the appraisal districts are bound by. Hope McClure speaks on her 27 years at Denton CAD. She expresses how important transparency and communication is to her as a Chief Appraiser.

McClure also addresses the phrase “toxic culture” and points out that it is hard to accept Richard Petree’s report that Denton CAD has a toxic culture when property owners compliment how passionate and helpful the DCAD staff is and how successful the District is performing during their yearly audits with minimal staff. McClure admits there might be a couple of toxic employees, but that does not equal a toxic culture. The vast majority of employees work over 50 hours a week, employees stay to help each other where they can, departments are helping each other more than ever before.

Kim Collins then gave an example of the support, laughter, positive admiration, and respect for each other that she notices on a daily basis. Hope McClure refers to the survey that was sent out and points out that 75% of the staff responded in 2 days, and only 2 employees had negative feelings towards the Chief Appraiser or DCAD.

Ann Pomykal asked for Mrs. McClure’s reasoning behind the survey.

Even though McClure only had a few days to get a survey conducted (in time for the Board meeting), she wanted an opportunity to show that the majority of the DCAD team does not agree with Mr. Petree’s findings and the survey provided that.

Hope McClure goes on to address the toxic relationship between the three largest entities in Denton County and DCAD. She asked that whatever is causing that toxicity be put in the past and asked the three entities (in attendance) for feedback on how DCAD can improve that relationship and make things better for everyone moving forward.

McClure states that her favorite part of the job is hiring employees and creating a positive culture for all involved on the team. She does acknowledge there is a “smaller pool” due to being a smaller industry, but Denton CAD has no trouble getting great applicants from all over the State. Individuals are applying from other CAD’s through word of mouth about the positive work environment.

Hope McClure wraps up her presentation by saying she no longer cares about what has happened in the past - she is only focusing on the future of the company. Denton CAD wants to rebrand and rebuild.

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

- A. CONSULTATION WITH LEGAL COUNSEL
- B. DELIBERATION ON PERSONNEL MATTERS

The Board went into Executive Session at 5:12.

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

The Board reconvened from Executive Session at 5:46

ITEM 15: ADJOURN

Chairman, Roy Atwood, adjourned the meeting at 5:46.