

**MCCREARY VESELKA BRAGG & ALLEN, P.C.**  
**ATTORNEYS AT LAW**  
700 Jeffrey Way, Suite 100  
Round Rock, Texas 78665

**Matthew Tepper**  
**(512) 323-3200**

**mtepper@mvalaw.com**  
**(512) 323-3294 Fax**

December 13, 2023

Board of Directors  
Tarrant Appraisal District  
2500 Handley-Ederville Road  
Fort Worth, Texas 76118-6909

Re: Additional Information Related to Cal Wood's Recorded Statements

Dear Directors,

The week of August 18, 2023 members of the Board of Directors, and the public at large became aware of certain statements that Cal Wood made indicating that he was not opposed to creating a "false narrative." That prompted this Board to direct us to investigate what "false narrative" Mr. Wood was referring to. On September 14, 2023, we provided an update. This letter contains information that was not available to TAD, its current senior management, or its board of directors when the September 14, 2023, update was prepared. This letter is the first time the Board of Directors is being informed about additional information that was obtained after September 14, 2023.

The update concluded that there was not enough evidence to determine whether people not affiliated with TAD, penetrated, accessed, downloaded, or manipulated any of TAD's confidential data. The update was also unable to conclusively determine what "false narrative," if any, Mr. Wood created.

The September 14, 2023, update suggested that a forensic analysis of TAD's information systems might determine whether any of TAD's secure or confidential information was compromised. Apollo Information Systems Corp. ("Apollo") was retained to perform this forensic analysis. Apollo just completed its work on this project. We do not have the results from that forensic analysis yet. However, the results should be available by the next board meeting.

The update also discussed additional evidence that might indicate whether any of TAD's confidential information was compromised. One individual claimed to have relevant information. However, that individual was unwilling to share the information with us at the time the update was prepared. That individual has since provided the information. Other people also came forward with information that was not reviewed prior to the September 14, 2023, update.

Pending the information from Apollo, we have not found any evidence of a specific piece of confidential taxpayer information that was compromised by a person who was not working on behalf of TAD. Nor have we found any evidence of a specific actor, other than TAD employees and agents, who accessed any taxpayer's confidential information.

The information we reviewed does show that vulnerabilities in TAD's information systems in October of 2022 were such that it would not have been difficult to access TAD's confidential information. Passwords and related data necessary to access TAD's information was available on the internet. TAD employees and agents working on internet security were able to use this publicly available information to access confidential information.

The ease with which TAD's information could be accessed in October of 2022 makes it plausible that some bad actor used this information to access confidential information. However, each specific example of a compromise that we have seen involved a person working on internet security on behalf of TAD accessing confidential information. We are continuing to look for evidence that any taxpayer information was compromised by an outside source.

#### **A. October Text Message Thread**

One piece of newly provided information was a text message thread involving several members of TAD's Information Systems department in October of 2022. In the text message thread, members of TAD's Information Systems department share a link to a download of a publicly available database containing a variety of TAD passwords. In the thread Cal Wood states that if those passwords are available that, "means all taxpayer infos (sic) are exposed." The day after the passwords were discovered on the internet, TAD's Information Systems department took down the webpage. It was replaced shortly thereafter with a more secure webpage. This information demonstrates that there were significant vulnerabilities in TAD's systems that would have allowed access to confidential taxpayer information. However, there is no evidence of an actual compromise of any taxpayer information.

The same thread contains a text message with a picture of a Texas driver's license on it. The text reads, "Just got this from website." Again, this information shows that members of TAD's Information Systems team were able to access a driver's license through the TAD website in October of 2022. However, it does not establish that any other person, not affiliated with TAD, accessed any of the information.

#### **B. Information Provided by Individual**

Another piece of information we reviewed was a security incident report and attachments dated September 21, 2023, and addressed to TAD's Interim Chief Appraiser William Durham. However, the security incident report was never delivered to Mr. Durham. The security incident report relates to the same October 2022 password leak that was discussed in the text message thread.

Like the text message thread, the security incident report demonstrates that TAD's passwords were publicly available on the internet in October of 2022. Additionally, the security incident report contains confidential information that the TAD employee who prepared the report

was able to access from the website. The confidential information accessed by the TAD employee working on internet security included a wide range of TAD's confidential information such as driver's licenses, resumes, renditions, and other information submitted by taxpayers. The report demonstrates that there were significant vulnerabilities in TAD's systems, and that the information necessary to access TAD's confidential information was readily available on the internet. However, there is no evidence of an actual compromise of any taxpayer information by anybody other than a TAD employee or agent working on internet security.

### **C. Possibility that Confidential Information was Compromised**

Even though we haven't seen a specific example of any confidential taxpayer information that was compromised by anybody other than a TAD employee or agent, the ease with which TAD's passwords were available on the internet made it possible that somebody not affiliated with TAD could access confidential taxpayer information. The availability of TAD's passwords on the internet, and a porous security system made it possible for people to access some of TAD's confidential information without leaving the kinds of traces that are necessary to access more secure systems. As a result, access could have occurred that even a thorough forensic analysis will not be able to detect. Apollo is still conducting its investigation in this area.

Another factor making it difficult to find specific evidence of a compromise is the passage of time. Certain logs on TAD's systems were overwritten over time. There is also the possibility that somebody could have intentionally deleted logs or other information that would have demonstrated that confidential information was improperly accessed. In the text thread message from October of 2022, Cal Wood asks the other members of the Information Systems department, "Have u (sic) erased footprints." This question is especially concerning given that Wood was recorded stating that he was not opposed to creating a "false narrative" regarding TAD's information systems.

### **D. Additional Explanation for "False Narrative"**

In the September 14, 2023, update, we could not conclude what false narrative Cal Wood created for this Board, the media, or the public. The newly reviewed information provides an alternative explanation as to why Wood felt compelled to consider creating a false narrative. Wood could have been attempting to conceal the fact that TAD passwords were readily available on the internet, and that TAD's confidential data was easily accessible. A false narrative could have been created to hide the deficiencies in a system that Wood was responsible for overseeing. Similarly, a false narrative could have been created to hide the ease with which TAD's data could have been accessed in October of 2022, to prevent bad actors from trying to access the confidential information.

There are still additional avenues to explore regarding any potential access to TAD's confidential information. We are still waiting for the findings from Apollo. Additionally, there may be some people who claim to have relevant knowledge that have not been interviewed. It may also be possible to hire a company to scan the dark web to determine whether any of TAD's confidential information is available. However, at this time we have not seen any direct evidence

demonstrating that any taxpayer information was actually compromised by an actor outside of TAD.

I hope this information is helpful. Please let me know if you want me to follow up on any of the issues that are contained in this letter.

Very Truly Yours,

*/s/Matthew Tepper/s/*

Matthew Tepper  
Attorney for the TAD Board of Directors