



Mayor's Letter
September 15, 2021

WELL UPDATE. Several weeks ago, the well motor failed on our #2 well. Wells #1 and #3 are working normally and we are producing at about 70 percent capacity. We removed the #2 well motor and pump and attempted to clean the screen at the bottom prior to installing the new pump. Unfortunately, we were unable, as the well is blocked, it is unclear what the obstruction is. Attempts to remove the blockage have failed (it is 840 feet below ground). Next week we will have a drilling company come and drill through the obstruction. We should have the new motor installed and the well operational by the end of the week.

PROPERTY TAXES At our Council meeting on September 21, we will be adopting the same tax rate of \$0.45 as last year. Our tax is composed of \$0.25 for operating the city and \$0.20 for our debt due to the new roads.

Average Home Values DCAD Report				
	2020	2021	Change	Change
Lakewood Village	\$404,962	\$499,209	\$94,247	23.27%
Pilot Point	\$197,471	\$222,230	\$24,759	12.54%
Justin	\$248,217	\$275,494	\$27,277	10.99%
Krum	\$208,489	\$227,117	\$18,628	8.93%
Crossroads	\$428,491	\$466,239	\$37,748	8.81%
Sanger	\$196,418	\$212,116	\$15,698	7.99%
Oak Point	\$330,310	\$356,687	\$26,377	7.99%
Roanoke	\$355,008	\$382,611	\$27,603	7.78%
Lake Dallas	\$209,039	\$225,077	\$16,038	7.67%
Krugerville	\$288,349	\$309,934	\$21,585	7.49%
Corinth	\$299,672	\$321,705	\$22,033	7.35%
Double Oak	\$500,873	\$537,338	\$36,465	7.28%
Shady Shores	\$349,016	\$372,521	\$23,505	6.73%
Denton	\$265,800	\$283,593	\$17,793	6.69%
Hickory Creek	\$316,189	\$336,578	\$20,389	6.45%
Denton County	\$347,764	\$368,743	\$20,979	6.03%
Little Elm	\$297,839	\$315,179	\$17,340	5.82%
Flower Mound	\$438,901	\$464,229	\$25,328	5.77%
Lewisville	\$264,220	\$278,366	\$14,146	5.35%
Highland Village	\$410,799	\$431,642	\$20,843	5.07%
Providence Village	\$235,118	\$246,395	\$11,277	4.80%
Bartonville	\$620,296	\$649,901	\$29,605	4.77%
Hackberry	\$133,586	\$130,469	(\$3,117)	-2.33%
Average Excluding Lakewood Village			\$21,468	6.82%

As you can see, according to the Denton Central Appraisal District Reports, the average home value appreciation in Lakewood Village far exceeded EVERYONE in Denton County. In fact, we were approximately four times as much as the county average. The average home in Lakewood Village is now \$499,209 while for Oak Point it is \$356,687 and in Little Elm it is only \$315,179.

As our home values rise, this means that we will be paying more taxes. Just like everyone else, myself and the Town Council are concerned about the size of our tax bills. It is important to note that we have no control over the LEISD and Denton County tax rates. These two entities make up about 4/5 or 80 percent of your tax bill. For our taxes, we have adopted the lowest rate that I believe we need. The rate required to make our bond payments is about \$0.33 but our adopted debt rate is only \$0.20. Instead of raising the tax

rate to cover the entire payment, we use our other revenues like sales taxes to make up the difference.

PLAN ZERO/ZERO Our total tax rate is the sum of the debt rate and the operating rate. We currently have two bonds outstanding for the two road construction projects. Our total debt is \$5,010,000, and the earliest that our bonds can be redeemed is 2025. If we have zero debt, then that part of our tax rate would be zero. At the same time, if we had some alternative revenues to run the city operations, then we wouldn't need to collect that part of the property tax rate either. So, the goal is to have zero debt and zero town property taxes. **All we need is a plan.** I will tell you the first phase of the plan next month.

We're #1. There's never been a better time to invest in Lakewood Village.

Dr. Mark E. Vargus
Mayor

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