



## Mayor's Letter May 15, 2023

**WATER UPDATE** Hydro Resources, has finished installing and cementing the pipe down to the 1500 foot level. They are currently working on the gravel pack and installing the screens in the aquifer area from 1500 to 2000 feet. The next major milestone will be the removal of the drilling rig and the start of the pump tests. These testing procedures will take three to four weeks to calculate baseline flow rates, determine the pump drawdown curves, and run required water quality labs. The Town and Hydro engineers will use the data to determine the optimum depth to place the pump. We are slightly behind schedule, but we still expect a June completion date.

We have finished our construction work on the fill and suction lines between the well and our storage tanks. The fiberglass tanks have been modified, replumbed, sanitized, and are back on line. Once the rig is removed we will complete the final connection from the well to our storage tanks. **The extended water emergency is still in effect.** While our storage tanks are now fully operational, our water production is limited until the new well is complete.

**PROPERTY VALUES.** As you are all aware, the appraisal values for Lakewood Village continue to climb at a record pace. The latest report from Denton CAD has our average home value up 18 percent over last year. It is

	Houses	Total Market Value	Average	Increase
2020	256	\$99,486,387	\$388,619	0.8%
2021	262	\$125,413,506	\$478,678	23.2%
2022	265	\$165,311,752	\$623,818	30.3%
2023	272	\$201,551,063	\$740,997	18.8%
Last Three Years = INCREASE OF 103 %				

incredible that our average home values have more than doubled over the last three years. **These are market values** – the taxable values you pay taxes on are limited to ten percent annual increases (homestead cap). To look at the data in another way, in the last three years the value of your investment in Lakewood Village has gone up by over \$100 million.

Our unique location, high developer demand and strong financial position have us well positioned moving forward in the current economic uncertainty.

**DEVELOPER AGREEMENTS.** Over the last three years the Council has been involved in complex and often difficult negotiations with developers to come to agreements on future projects. At our May meeting the Council approved the last two developments (Northshore and Lakewood Villas) and the agreements have been fully executed. These agreements provide significant long-term financial benefits, require substantial contributions to our water and wastewater facilities, and require new wildlife preservation areas, parks, trails, the pond and open space.

**TAX CUT.** We are progressing nicely on our long-range financial plan to be debt and tax free by fiscal 2027. That is the earliest that we can legally pay off our road debt (20 years early). **Our sales tax collections have increased by an additional 35 percent due to Lakewood Market and the Goldentree expansion.** Your efforts on 75068 = Lakewood Village are a great help and it shows in our financial performance. We are in fantastic shape. Our budget is in surplus, we are saving the necessary funds and are on a trajectory to reach our target in 2027. Last year we adopted a tax freeze to help our seniors. This year we start down the glide path to a future with no property taxes.

**My proposed 2024 Budget will include a 20 percent reduction in our property taxes**

In many cities development is the key to getting bigger and continuously increasing tax revenues. **We do things differently here;** we will use our developments to **eliminate** our property taxes. We're on our way. There's never been a better time to invest and live in Lakewood Village.

Dr. Mark E. Vargus, Mayor