

DENTON CENTRAL APPRAISAL DISTRICT



2021

ANNUAL REPORT

INTRODUCTION

Denton Central Appraisal District (“District” or “DCAD”) is a political subdivision of the State of Texas. The Texas State Constitution, Texas Property Tax Code and rules of the Texas Comptroller’s Property Tax Assistance Division govern the operations of the District. The District is responsible for appraising all property in Denton County for each taxing unit that imposes an ad valorem tax.

MISSION STATEMENT

The primary responsibility of the Denton Central Appraisal District is to appraise property for property taxation and maintain 100% of market value, allowing local funding for the school districts and ensuring that appraisals are performed in an equal and uniform manner in order that taxpayers pay only their fair share of the property tax burden.

PURPOSE

Appraisal Districts were created and governed by the Texas Property Tax Code. The Code was created in 1979 by legislation known as the Peveto Bill. Prior to the creation of appraisal districts all taxing entities had their own appraisal staff. Properties were often listed on different taxing entities rolls at dramatically different appraised values and assessment ratios were also applied with no uniformity between entities. The Peveto Bill created one appraisal district within each county to appraise properties for all taxing entities at 100% market value with fairness and equality and abolished assessment ratios. The plan was to create a level playing field where no one would be subject to paying taxes based on more or less than their fair share.

Denton Central Appraisal District is here to serve you through discovering, listing and appraising your property fairly and uniformly. The Appraisal District is not a taxing entity and does *not* set tax rates or collect taxes. The Appraisal District team has many responsibilities and we strive to be good stewards. We know that we are here to serve you, the property owners of Denton County, and we are committed to performing our work with courtesy, professionalism and excellence.

ANNUAL REPORT

The report includes information on the following areas that we believe are important to give insight into the performance of your Appraisal District:

- Taxing Jurisdictions Served by DCAD
- Annual Budget Amount for DCAD
- Total Number of Parcels in Denton County
- Total Value of the Parcels in Denton County
- New Market Value / Construction
- Exemption Data
- Types of Properties
- Total Appeals, Arbitration and Lawsuits
- Comptroller’s Property Value Study
- Comptroller’s Methods Assistance Program

TAXING JURISDICTIONS SERVED BY DCAD

The Denton Central Appraisal District is responsible for appraising properties within DCAD's boundaries for each of the following taxing jurisdictions:

County (1)

Denton County

Cities / Towns (43)

| | | |
|---------------|------------------|--------------------|
| Argyle | Fort Worth | Northlake |
| Aubrey | Frisco | Oak Point |
| Bartonville | Grapevine | Pilot Point |
| Carrollton | Hackberry | Plano |
| Celina | Haslet | Ponder |
| The Colony | Hickory Creek | Prosper |
| Coppell | Highland Village | Providence Village |
| Copper Canyon | Justin | Roanoke |
| Corinth | Krugerville | Sanger |
| Corral City | Krum | Shady Shores |
| Dallas | Lake Dallas | Southlake |
| Denton | Lakewood Village | Trophy Club |
| Dish | Lewisville | Westlake |
| Double Oak | Little Elm | |
| Flower Mound | New Fairview | |

School Districts (17)

| | | |
|-------------------|-----------------|-----------------|
| Argyle ISD | Frisco ISD | Pilot Point ISD |
| Aubrey ISD | Krum ISD | Ponder ISD |
| Carrollton-FB ISD | Lake Dallas ISD | Prosper ISD |
| Celina ISD | Lewisville ISD | Sanger ISD |
| Denton ISD | Little Elm ISD | Slidell ISD |
| Era ISD | Northwest ISD | |

Special Districts (44)

| | | |
|-------------------------------|------------------------------|-------------------------------|
| Alpha Ranch FWSD #1 | Denton County Fresh Water 1G | Northlake Municipal- |
| Belmont FWSD #1 | Denton County Fresh Water 1H | -Management Dist #1 |
| Belmont FWSD #2 | Denton County Fresh Water 4A | Northlake Municipal- |
| Brookfield FWSD #1 | Denton County Fresh Water 6 | -Management Dist #2 |
| Big Sky MUD | Denton County Fresh Water 7 | Northlake PID #1 |
| Canyon Falls MUD #1 | Denton County Fresh Water 8A | Oak Point WCID #1 |
| Canyon Falls WCID #2 | Denton County Fresh Water 8B | Oak Point WCID #2 |
| Clear Creek Watershed Auth | Denton County Levy Imp | Oak Point WCID #3 |
| Denton Co Emerg Serv Dist #1 | Denton County MUD #4 | Oak Point WCID #4 |
| Denton County Fresh Water 10 | Denton County MUD #5 | Smiley Rd WCID #1 |
| Denton County Fresh Water 11A | Denton County MUD #6 | Smiley Rd WCID #2 |
| Denton County Fresh Water 11B | Denton County MUD #8 | The Lakes FWSD |
| Denton County Fresh Water 11C | Denton County MUD #9 | Tradition MUD of Denton #2B |
| Denton County Fresh Water 1B | Far North Fort Worth MUD #1 | Trophy Club MUD # 1 |
| Denton County Fresh Water 1C | Frisco West WCID | Trophy Club PID #1 Emerg Serv |
| Denton County Fresh Water 1D | Highway 380 Municipal- | |
| Denton County Fresh Water 1E | -Management Dist | |
| Denton County Fresh Water 1F | North Fort Worth WCID #1 | |

ANNUAL BUDGET AND LEVY INFORMATION

Each year the chief appraiser prepares and presents to the Board of Directors and Taxing Entities information in compliance with Section 6.06 of the Texas Property Tax Code. The process of publication and adoption of the budget is mandated by law. The proposed budget is presented to the Board for review. By June 15th, the proposed budget is submitted to all taxing entities participating in the District. The Board shall hold a public hearing, make any changes to the proposed budget and approve the budget before September 15th.

| | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---------------------------------|---------------------|---------------------|----------------------|
| Annual Budget Amount | \$13,041,943.15 | \$14,219,668.58 | \$14,232,348.03 |
| Number of Parcels | 472,707 | 488,087 | 448,531 |
| Cost per Parcel | \$27.22 | \$29.13 | \$31.73 |
| Staff Positions | 78 | 83 | 81 |
| Professional Designations (RPA) | 49 | 42 | 46 |
| Denton County Market Value | \$125,402,432,476 | \$134,865,685,640 | \$147,700,043,813 |
| Denton County Taxable Value | \$108,204,034,359 | \$115,693,123,870 | \$127,010,590,822 |
| New Market Value | \$4,445,209,864 | \$4,625,360,452 | \$5,783,353,389 |
| New Taxable Value | \$3,988,573,972 | \$4,480,583,893 | \$5,226,247,431 |
| <u>Levy Information</u> | | | |
| County | \$247,431,381 | \$259,814,593 | \$290,615,211 |
| ISD | \$1,456,496,761 | \$1,521,039,040 | \$1,604,989,661 |
| City | \$475,283,930 | \$505,036,741 | \$535,607,235 |
| Special Districts | <u>\$82,051,989</u> | <u>\$90,043,505</u> | <u>\$103,336,461</u> |
| Total | \$2,261,264,060 | \$2,375,933,879 | \$2,534,548,568 |
| Percentage of Budget/Levy | 0.58% | 0.6% | 0.56% |

The costs of District operations are shared by the various taxing entities participating in the District. Each taxing entity's allocation is based on its tax levy relative to the total tax levy of all the participating taxing entities.

EXEMPTION BREAKDOWN

| <u>Exemption</u> | 2019 | | 2020 | | 2021 | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>Count</u> | <u>Total</u> | <u>Count</u> | <u>Total</u> | <u>Count</u> | <u>Total</u> |
| (AB) Abatement | 16 | \$97,286,097 | 8 | \$100,007,819 | 17 | \$99,825,511 |
| (CHODO) Community Housing Development Organizations | 8 | \$138,817,969 | 16 | \$153,400,055 | 8 | \$146,260,575 |
| (DP) Disability | 1,674 | \$23,613,616 | 1,751 | \$25,637,327 | 1,904 | \$26,922,160 |
| (DPS) Disabled Surviving Spouse | 11 | \$0 | 1 | \$15,000 | 18 | \$67,500 |
| (DV1) Disabled Veterans 10%-29% | 940 | \$7,512,812 | 964 | \$7,931,317 | 1,016 | \$8,206,835 |
| (DV1S) Disabled Veterans Surviving Spouse 10%-29% | 56 | \$257,500 | 62 | \$307,500 | 64 | \$287,500 |
| (DV2) Disabled Veterans 30%-49% | 751 | \$6,661,512 | 780 | \$6,947,242 | 802 | \$7,094,261 |
| (DV2S) Disabled Veterans Surviving Spouse 30%-49% | 24 | \$180,000 | 34 | \$255,000 | 35 | \$247,500 |
| (DV3) Disabled Veterans 50%-69% | 813 | \$8,468,441 | 865 | \$9,145,441 | 966 | \$9,939,739 |
| (DV3S) Disabled Veterans Surviving Spouse 50%-69% | 20 | \$200,000 | 26 | \$260,000 | 24 | \$235,000 |
| (DV4) Disabled Veterans 70%-100% | 2,424 | \$15,406,035 | 1,459 | \$17,532,009 | 3,288 | \$18,827,915 |
| (DV4S) Disabled Veterans Surviving Spouse 70%-100% | 313 | \$2,286,525 | 207 | \$2,392,948 | 345 | \$2,341,555 |
| (DVHS) Disabled Veterans Homestead | 1,533 | \$473,903,242 | 1,656 | \$554,517,819 | 2,115 | \$756,207,473 |
| (DVHSS) Disabled Veterans Homestead Surviving Spouse | 166 | \$42,211,322 | 169 | \$46,135,708 | 193 | \$56,493,911 |
| (EX) Exempt | 519 | \$46,560,869 | 419 | \$21,169,523 | 309 | \$21,197,457 |
| (EX-XG) Primarily performing charitable functions | 44 | \$4,370,433 | 39 | \$3,239,994 | 37 | \$2,979,475 |
| (EX-XI) Youth spiritual, mental and physical development organizations | 17 | \$779,783 | 17 | \$11,634,808 | 17 | \$14,144,982 |
| (EX-XJ) Private school | 52 | \$124,937,108 | 57 | \$164,411,431 | 60 | \$166,668,233 |
| (EX-XL) Organizations Providing Economic Development Services to Local Community | 8 | \$332,165 | 85 | \$240,692,506 | 85 | \$234,780,281 |
| (EX-XR) Nonprofit water or wastewater corporation | 3 | \$54,117 | 129 | \$53,071,295 | 129 | \$55,473,513 |
| (EX-XU) Miscellaneous Exemptions | 1,030 | \$1,066,746,616 | 88 | \$40,517,984 | 106 | \$48,174,148 |
| (EX-XV) Other exemptions (public property, religious, charitable, & other property not reported elsewhere) | 6,763 | \$4,440,617,298 | 7,603 | \$5,635,175,432 | 8,105 | \$6,169,529,938 |
| (EX366) HB366 Exempt | 15,115 | \$769,306 | 580 | \$180,558 | 14,734 | \$862,178 |
| (FR) Freeport | 192 | \$2,321,767,089 | 212 | \$3,055,588,435 | 212 | \$3,202,723,040 |
| (HT) Historical | 1 | \$0 | 0 | \$0 | 2 | \$0 |
| (MASSS) Member Armed Services Surviving Spouse | 6 | \$1,856,579 | 7 | \$2,098,531 | 7 | \$2,226,967 |
| (OV65) Over 65 | 42,294 | \$2,222,688,188 | 43,748 | \$2,357,993,081 | 47,387 | \$2,495,155,789 |
| (OV65S) Over 65 Surviving Spouse | 2,447 | \$127,368,448 | 2,406 | \$130,576,154 | 2,394 | \$123,380,433 |
| (PC) Pollution Control | 103 | \$33,806,588 | 80 | \$34,193,004 | 101 | \$31,687,510 |

TYPES OF PROPERTIES

| <u>State Code / Property Type</u> | 2019 | | 2020 | | 2021 | |
|--|--------------|---------------------|--------------|---------------------|--------------|---------------------|
| | <u>Count</u> | <u>Market Value</u> | <u>Count</u> | <u>Market Value</u> | <u>Count</u> | <u>Market Value</u> |
| A / Single Family Residence | 233,272 | \$72,630,630,793 | 224,887 | \$77,568,232,505 | 253,564 | \$86,157,085,509 |
| B / Multifamily Residence | 3,540 | \$9,350,603,481 | 3,551 | \$10,776,199,540 | 3,633 | \$11,491,824,262 |
| C1 / Vacant Lots and Land Tracts | 21,637 | \$1,976,846,013 | 19,901 | \$2,170,807,526 | 23,364 | \$2,205,386,275 |
| D1 / Qualified Ag Land | 12,416 | \$5,137,357,847 | 12,447 | \$5,239,622,062 | 12,315 | \$5,370,301,316 |
| D2 / Non-Qualified Land | 3,748 | \$127,243,438 | 3,725 | \$144,164,403 | 3,683 | \$137,452,561 |
| E / Farm or Ranch Improvement | 8,546 | \$2,170,195,813 | 9,576 | \$2,224,185,172 | 8,804 | \$2,594,896,998 |
| F1 / Commercial Real Property | 8,260 | \$15,577,500,433 | 8,856 | \$16,910,507,051 | 8,784 | \$18,035,500,952 |
| F2 / Industrial Real Property | 93 | \$236,185,117 | 94 | \$267,911,331 | 92 | \$327,218,133 |
| G1 / Oil and Gas | 137,269 | \$790,041,180 | 151,965 | \$424,478,060 | 83,865 | \$525,688,030 |
| J1 / Water Systems | 50 | \$4,269,796 | 70 | \$7,112,809 | 59 | \$7,095,480 |
| J2 / Gas Distribution System | 89 | \$148,851,951 | 89 | \$169,217,468 | 90 | \$193,190,309 |
| J3 / Electric Company | 218 | \$594,161,142 | 224 | \$640,599,138 | 226 | \$715,476,043 |
| J4 / Telephone Company | 879 | \$208,880,753 | 850 | \$256,252,048 | 860 | \$375,946,061 |
| J5 / Railroad | 131 | \$130,008,397 | 131 | \$145,851,012 | 137 | \$167,493,595 |
| J6 / Pipeland Company | 739 | \$309,511,533 | 745 | \$300,649,883 | 752 | \$314,527,683 |
| J7 / Cable Television Company | 197 | \$85,736,610 | 198 | \$95,665,109 | 201 | \$99,245,097 |
| J8 / Other Type of Utility | 22 | \$631,815 | 23 | \$617,705 | 17 | \$228,013 |
| L1 / Commercial Personal Property | 15,954 | \$5,783,741,715 | 15,744 | \$6,663,871,303 | 17,618 | \$7,329,999,493 |
| L2 / Industrial Personal Property | 462 | \$2,811,624,123 | 437 | \$3,330,115,948 | 406 | \$3,404,011,331 |
| M1 / Tangible Other Personal, Mobile Homes | 6,652 | \$84,427,488 | 6,669 | \$86,711,234 | 6,732 | \$90,069,922 |
| O / Residential Inventory | 14,141 | \$1,199,819,512 | 12,119 | \$1,053,184,215 | 13,647 | \$978,172,356 |
| S / Special Inventory Tax | 273 | \$171,524,384 | 305 | \$187,789,212 | 264 | \$197,732,019 |
| X / Totally Exempt Property | 23,707 | \$5,872,639,142 | 9,362 | \$6,170,534,993 | 23,737 | \$6,934,767,710 |

*As of 7/24/2021 Certified Totals

APPEALS, ARBITRATION AND LAWSUITS

| | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|----------------------------------|--------------------|--------------------|--------------------|
| <u>Appeals</u> | | | |
| Total Protest Received | 95,065 | 96,748 | 91,942 |
| Online Protests | 31,911 | 70,906 | 59,470 |
| ARB Hearings | 3,445 | 4,881 | 4,916 |
| ARB Changes | 2,956 | 4,142 | 4,156 |
| ARB No Changes | 489 | 739 | 760 |
| ARB No Shows (failure to appear) | 7,846 | 7,643 | 5,184 |
| | | | |
| <u>Arbitrations</u> | 128 | 152 | 128 |
| Market Value in Arbitrations | \$149,484,867 | \$186,162,420 | \$127,783,696 |
| | | | |
| <u>Lawsuits</u> | 522 | 430 | 485 |
| Market Value in Litigation | \$11,519,881,068 | \$10,966,041,335 | \$10,351,304,338 |
| | | | |
| <u>SOAH</u> | 1 | 0 | 0 |

*Arbitrations, Lawsuits, & SOAH as of 1/04/2022

COMPTROLLER'S PROPERTY VALUE STUDY (PVS)

| <u>Property Value Study</u> | <u>2017</u> | <u>2019</u> |
|------------------------------------|--------------------|--------------------|
| Median Level of Appraisal | 0.98 | 1.00 |
| Coefficient of Dispersion | 6.14 | 6.08 |
| Price Related Differential | 0.97 | 1.02 |
| ISD's with Local Value | 17/17 | 17/17 |

*PVS conducted biennially

COMPTROLLER'S METHODS and ASSISTANCE PROGRAM (MAP)

| <u>Mandatory Requirements</u> | <u>2018</u> | <u>2020</u> |
|---|--------------------|--------------------|
| 1. Does the appraisal district have up-to-date appraisal maps? | PASS | PASS |
| 2. Is the implementation of the appraisal district's most recent reappraisal plan current? | PASS | PASS |
| 3. Are the appraisal district's appraisal records up-to-date and is the appraisal district following established procedures and practices in the valuation of property? | PASS | PASS |
| 4. Are values reproducible using the appraisal district's written procedures and appraisal records? | PASS | PASS |

Appraisal District Activities

| | | |
|--|-----------|-----------|
| Governance | MEETS ALL | MEETS ALL |
| Taxpayer Assistance | MEETS ALL | MEETS ALL |
| Operating Procedures | MEETS ALL | MEETS ALL |
| Appraisal Standards, Procedures, and Methodology | MEETS ALL | MEETS ALL |

Appraisal District 2018 and 2020 Ratings

Meets All – The total point score is 100.

Meets – The total point score ranges from 90 to less than 100.

Needs Some Improvement – The total point score ranges from 85 to less than 90.

Needs Significant Improvement – The total point score ranges from 75 to less than 85.

Unsatisfactory – The total point score is less than 75.

*MAP conducted biennially