



Denton Central Appraisal District
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Denton County Taxing Jurisdictions,

Furnishing you an accurate tax roll is our number one priority every year. A precise tax roll is essential in helping you build your budget and set an accurate tax rate. In addition, Denton Central Appraisal District (DCAD) understands firsthand how necessary budgets are in planning for the future. Therefore, providing the most accurate tax roll is a responsibility DCAD does not take lightly.

The Texas Legislature has charged Appraisal Districts with a very difficult task of certifying over 95% of their appraisal roll in just three and a half months. The Texas Legislature understands that not all appraisal districts (especially the top 10 largest appraisal districts) can get 95% of their entire appraisal roll processed and settled within that time frame. Therefore, the Texas Property Tax Code (TPTC) has allowed two provisions regarding certification. The first provision is size-related; appraisal districts with a million or more population get to certify at 90%. The top 5 largest CAD's fit into this category. (Denton CAD is the 6th largest). The second provision is written in TPTC Section 26.01(a-1):

*If by July 20 the appraisal review board for an appraisal district has not approved the appraisal records for the district as required under Section 41.12, the chief appraiser shall not later than **July 25** prepare and certify to the assessor for each taxing unit participating in the district an **estimate of the taxable value** of property in that taxing unit.*

The Denton Central Appraisal District's staff and the Denton County Appraisal Review Board diligently and tirelessly worked towards that 95% certified goal. Although we did not reach the intended target, we did reach **90.14%** (estimated until July 25th), so we will be sending out an estimate of the taxable value.

2022 Protest Season -

We understand your potential frustration in receiving Certified Estimates this year, but DCAD's accomplishments for 2022 are remarkable, especially considering the small number of employees carrying out the immense workload.

After speaking with Travis CAD and Harris CAD's Chief Appraisers and confirming that both CAD's are still below the 90% threshold and will be sending out Certified Estimates as well, we realized just how hard the staff at DCAD really worked.

To provide some context, when we compared Denton CAD to Travis CAD we found that DCAD has **56 fewer employees**, a staggering **167 fewer ARB Members**, and has only **8k more accounts** compared to TCAD. Though disproportionate in staff comparison, DCAD was able to hit 90%, and TCAD came in just below 90%. To say the DCAD staff worked incredibly hard is an understatement.

Below is the calculated workload DCAD accomplished in 62 business days. This snapshot was taken during the DCAD's protest period, April 17 - July 15, 2022 (this does not include the last 3 days of protest and how much was accomplished).

373,883 Accounts Valued and Mailed a Notice	7,310 Business Renditions Processed
80,177 Protests Evaluated & Settled	300 Leased Accounts Processed
23,066 ARB Hearings Held	205 Open Record Requests Answered
1,410 ARB Hearings Rescheduled	4,686 Appointment of Agents Entered
59,305 Phone Calls Received & Answered	18,688 Ownership Changes Made
9,850 Hours of Incoming & Outgoing Calls	6,630 Permits Processed
28,130 Helpdesk Tickets Answered	136 UDI's Created
15,046 People Walked-In Needing Assistance	2,402 Sales Entered
7,497 Homestead Applications Processed	746 New 2023 Accounts Created

Also completed:

2023 Budget, 2021 Financial Audit, 2022 Monthly Financials, 2022 Quarterly Allocations, 2022 Appraisal Manual, 2023-2024 Reappraisal Plan, 2021 Property Value Study, 2023 Strategic Plan, Weekly Preliminary Totals, and the initiation of the 2023 Depository Bid.

To accomplish this workload, 4,946 hours of overtime was accumulated from April 17 - July 15 by non-exempt employees. That is the equivalent of 10 extra people working 40 hour weeks and that number does not include the 20 exempt employees at DCAD who potentially put in the longest hours.

We hope this proves DCAD's willingness to provide both the taxing jurisdictions with an accurate tax roll and property owners with a fair valuation and exceptional customer service. **We also hope that this serves as a plea, that we need the Taxing Entities to approve our 2023 Budget for additional FTE's. Our employees cannot keep balancing these heavy workloads and long hours.**

Questions & Answers -

When will we receive the Certified Estimate?

The Certified Estimate will be placed in the Google folder on **July 25th before 5 pm**. You will receive an email when the files have been uploaded. The link to the Google folder can be found in the original email.

We cannot send the reports any sooner. DCAD's data team will be running the reports and checking the reports for data integrity. Please be patient as we desire to send out quality reports to each entity.

What will be included with the Certified Estimate?

On July 25th you will receive:

Certified Estimate, State Category & Exemption Breakdown, Effective Rate Assumptions

Lower Value Used Calculation and Breakdown of Properties

Average Home Value Report

Disputed Loss for 2021

Litigation Value Loss for 2021

Most Recent Supplement of 2021

When will DCAD reach Certification (95%)?

The ARB has scheduled hearings August 15th - September 8th, but the DCAD staff is working diligently to try and get property owners/agents in before those dates, to attempt to reach certification sooner.

You will continue to receive preliminary totals every Friday until Certification (95%) is achieved.

Should I wait until DCAD reaches 95% or should I use the Certified Estimate?

TPTC Section 26.04(c-2) states:

*Notwithstanding any other provision of this section, if the assessor for a taxing unit receives a **certified estimate** of the taxable value of property in the taxing unit under Section 26.01(a-1), the officer or employee designated by the governing body of the taxing unit **shall calculate the no-new-revenue tax rate and voter-approval tax rate using the certified estimate of taxable value.***

Outside Counsel's opinion:

"Denton County Taxing Jurisdictions will need to use the 26.01(a-1) certified estimate. Denton CAD can send Certified Totals when they reach 95% to give the taxing jurisdictions a better sense of estimated data and to bring them more comfort for setting a tax rate but (c-2) indicates the NNRT / VATR calculations must be calculated from the certified estimate."

DCAD's Reports:

Once you receive the reports, you will be able to add the "Not Under ARB Review" and the "Lower Value Used" amounts together to get to your certified estimate of taxable value (the lowest possible outcome). The Lower Value Used Report will provide each entity with a breakdown of every property still under review. DCAD will send detailed information out to you explaining how to properly calculate this number on July 25th.

How can the Entities help DCAD reach certification in the future?

The immediate need is for the Denton County Entities to approve the 2023 DCAD Budget. DCAD is asking for 18 new FTE's. The need is much greater than 18, but by adding 18 new employees for 2023 it will allow DCAD to gain momentum and achieve a proactive operating posture for the upcoming year.

Future needs will be discussed at the upcoming Board of Directors meeting on July 28th. DCAD's goals and objectives will be laid out in a five-year Strategic Plan. It will be presented and discussed and become a living document for DCAD and the Denton County Entities.

We look forward to providing a detailed understanding of how the funding provided by the entities directly correlates to the achievements of the District. We also look forward to feedback from the entities. We value the opinion of all Denton County Entities and want to work as a team to achieve success.

I appreciate your support on this topic.

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