

# APPROVAL OF TAX COLLECTION CONTRACT WITH DENTON COUNTY

August 10, 2021

## SUMMARY:

This item requests approval of the tax collection contract with Denton County.

## BOARD GOAL:

Growth & Management... In pursuit of excellence, the district will provide leadership and/or oversight to ensure District meets all fiscal, legal and regulatory requirements.

## PREVIOUS BOARD ACTION:

August 27, 2019

## BACKGROUND INFORMATION:

The Denton County Tax Office has collected taxes for Denton ISD for the last 28 years. The collection fee is per parcel per year plus some reimbursements for certain direct expenses and extra mailings. In 2019-2020, the contract became a multi-year contract, renewing automatically unless the contract was terminated, or the contract needed to be updated. Due to several legislative changes, the contract needs to be brought forth for approval by the Board of Trustees. The contract will renew automatically unless terminated by either party no later than 180 days prior to the expiration date of the then-current term of the contract.

## SIGNIFICANT ISSUES:

- The Interlocal Agreement is to be submitted to the Denton County Tax Office no later than September 7th, 2021.
- Current tax statements will be mailed by October 10<sup>th</sup> of the tax year, or as soon thereafter as practical.
- Tax rates must be adopted before September 30<sup>th</sup> of the collection year or the 60<sup>th</sup> day after the certified appraisal roll is received, pursuant to Texas Property Tax Code 26.05(a).

## FISCAL IMPLICATIONS:

- The parcel price will remain \$1.00 per statement for 2021-2022 school year. During the first and second renewal terms, the fee for this service will be the per statement rate approved by the Commissioners Court for the applicable tax year, provided a 60 day notice of that rate is provided to the District prior to the expiration date of then-current term of the agreement.
- The total cost of providing all services will be deducted from current collections, no later than January 31<sup>st</sup> of the tax year.

## BENEFIT OF ACTION:

Using one tax collector for Denton County tax collections improves efficiency of the tax collection process.

## SUPERINTENDENT'S RECOMMENDATION:

- Recommend the tax collection contract with Denton County be approved effective October 1, 2021 - September 30, 2022, then automatically renewing for subsequent one-year terms.
- Recommend Jennifer Stewart be designated as Liaison to serve between Denton ISD and the County Tax office.

## STAFF PERSONS RESPONSIBLE:

Dr. J. Scott Niven, Deputy Superintendent  
Jennifer Stewart, Executive Director of Budget

## ATTACHMENT:

Denton County Tax Collection Contract

## APPROVAL:

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Signature of Divisional Leader: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_