

APPROVAL OF TAX COLLECTION CONTRACT WITH DENTON COUNTY

August 27, 2019

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:

July 24, 2018

BACKGROUND INFORMATION:

During the 1992-1993 school year, the District contracted with the Denton Central Appraisal District for \$2.00 per parcel per year. In the fall of 1993, Mary Horn, Denton County Tax Collector approached all the political entities in Denton County offering to collect taxes for them. After developing a contract, Denton County collected taxes for the Denton ISD for a fee; per parcel per year "plus" some reimbursements for certain direct expenses and extra mailings. This contract has worked well for Denton ISD for the last twenty-six (26) years and is recommended for renewal for the 2019-2020 school year.

SIGNIFICANT ISSUES:

- Current tax statements will be mailed by October 10th of the tax year, or as soon thereafter as practical.
- Tax rates must be adopted before September 30th of the collection year or the 60th day after the certified appraisal roll is received, pursuant to Texas Property Tax Code 26.05(a).
- This year, the County has converted the contract into a multi-year contract, renewing automatically unless written notice of termination is provided by either party no later than 180 days prior to the expiration date of the then-current term of the agreement.

FISCAL IMPLICATIONS:

- The parcel price will remain \$1.00 per statement for 2019-2020 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. If the County fails to provide said notice, the rates charged during the preceding term will apply.
- The total cost of providing all services will be deducted from current collections, no later than January 31st 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, 2019 - September 30, 2020, 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:

Debbie Monschke, Assistant Superintendent of Administrative Services
Jennifer Stewart, Director of Budget

ATTACHMENT:

Denton County Tax Collection Contract

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Leader: _____

Signature of Superintendent: _____