

Mayor and Council Communication

DATE: 12/15/20

M&C FILE NUMBER: M&C 20-0912

LOG NAME: 03DCAD 2021

SUBJECT

(CD 7) Authorize Payment of the City of Fort Worth's Assessed Pro-Rata Allocation of the Denton Central Appraisal District's Budget for January through December 2021 in an Amount Up to \$126,934.59

RECOMMENDATION:

It is recommended that the City Council authorize a payment of the City of Fort Worth's pro-rata allocation of the Denton Central Appraisal District's 2021 budget for the months of January through December 2021 in an amount up to \$126,934.59.

DISCUSSION:

All local jurisdictions are required by Section 6.06(d) of the Texas Property Tax Code to fund the local county appraisal district. The City of Fort Worth's pro-rata share for Denton Central Appraisal District's (DCAD) 2021 calendar year budget is 12.6 percent based upon the City's portion of property value within the district. The increase is attributable to the rise in the number of property accounts and values which result higher levies, along with changes to the tax rates of other district taxing entities. The total annual 2021 budget for DCAD is \$14,234,603.28, bringing the City's portion of expenses to \$126,934.59

In 2020, the City's pro-rata share was \$112,732.24.

The district budget is slightly higher than the prior year. The number of positions compensated under this budget decreased from 83 in 2020 to 81 in 2021. Reductions for personnel costs and completed capital projects were offset by increases in appraisal review board costs, legal fees and contract labor as a result of ever increasing value protests. The changes ensure that the district continues to offer the same level of service to entities and taxpayers.

DCAD Costs Comparison 2020 to 2021			
	DCAD Total Budget	CFW Allocation	% of Total
2020	\$14,219,668.58	\$112,732.24	0.8%
2021	\$14,234,603.28	\$126,934.59	0.9%
Increase (decrease)	\$14,934.70	\$14,202.35	
% Change from PY	0.1%	12.6%	

DCAD operates on a January through December fiscal year. The City will make quarterly payments in the amount of \$31,733.65. This Mayor and Council Communication covers the calendar months of January 1, 2021 through December 31, 2021, with nine months falling in the City's current Fiscal Year 2021 and the remaining three months in the City's Fiscal Year 2022.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation, funds are available in the current operating budget, as previously appropriated, in the General Fund to support the payment of the City's portion of the Denton Central Appraisal District, and upon adoption of Fiscal Year 2022 Budget by the City Council, funds will be available in the Fiscal Year 2022 Operating Budget, as appropriated, within the General Fund. Prior to an expenditure being incurred, the Planning and Data Analytics Department has the responsibility to validate the availability of funds.

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