

# Mayor and Council Communication

**DATE:** 12/17/19

**M&C FILE NUMBER:** M&C 19-0384

**LOG NAME:** 03TAD PAY 2020

**SUBJECT**

Authorize Payment of the City of Fort Worth's Assessed Pro-Rata Allocation of the Tarrant Appraisal District's Budget for January through December 2020 in an Amount Up to \$2,741,317 (ALL COUNCIL DISTRICTS)

**RECOMMENDATION:**

It is recommended that the City Council authorize a payment of the City of Fort Worth's pro-rata allocation of the Tarrant Appraisal District's 2020 budget for the months of January through December 2020 in an amount up to \$2,741,317.

**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 Tarrant Appraisal District's (TAD) 2020 calendar budget is 10.9 percent based upon the City's portion of property value within the District. The total annual 2020 budget for TAD is \$25,828,993, bringing the City's portion of expenses to \$2,741,317.

In 2019, The City's pro-rata share was \$2,640,741.00.

The 2020 budget equates to a 3.68% increase from the prior year. For 2020, the Texas Legislature added an additional notification letter that appraisal districts must provide to every property owner and the estimated cost for this mandate accounts for 2.03% of the overall increase. The remaining 1.65% is primarily for merit based increases.

<b>TAD Costs Comparison 2019 to 2020</b>			
	<b>TAD Total Budget</b>	<b>CFW Allocation</b>	<b>% of Total</b>
<b>2019</b>	24,912,805.00	2,640,741.00	10.6%
<b>2020</b>	25,828,993.00	2,741,317.00	10.6%
<b>Increase (decrease)</b>	916,188.00	100,576.00	11.0%
<b>% Increase from PY</b>	3.68%	3.81%	

TAD operates on a January through December fiscal year. The City will make quarterly payments in the amount of \$685,329.25. This Mayor and Council Communication covers the calendar months of January 1, 2020 through December 31, 2020 with nine months falling in the City's current Fiscal Year 2020 and the remaining three months in the City's Fiscal Year 2021.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: Tarrant Appraisal District

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of this recommendation, funds are available within existing appropriations in the current operating budget of the General Fund and anticipates, upon adoption of the Fiscal Year 2021 Budget by the City Council, to include the recommended payments mandated by state statutes, the funds will be available in the Fiscal Year 2021 Budget, as appropriated, of the General Fund.

**Submitted for City Manager's Office by:** Fernando Costa 8180

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