

A Resolution

NO. _____

DISAPPROVING THE 2023 BUDGET OF THE DENTON CENTRAL APPRAISAL DISTRICT

WHEREAS, the Texas Tax Code requires the creation of a tax appraisal district in each county in the State of Texas; and

WHEREAS, the City of Fort Worth is a taxing unit, a portion of which is located within Denton County and which relies on the Denton Central Appraisal District (“DCAD”) for the appraisal of property within the boundaries of Denton County; and

WHEREAS, DCAD’s operating expenses are funded solely by the taxing units it serves, which includes the City of Fort Worth; and

WHEREAS, under the Tax Code, the chief appraiser of an appraisal district proposes a budget to the district’s board of directors, which holds a public hearing and then adopts a budget; and

WHEREAS, on July 28, 2022 DCAD adopted its 2023 budget in the amount of \$17,997,944.33, an increase of 17.45% from the current 2022 budget; and

WHEREAS, under state law if the governing bodies of a majority of the taxing units entitled to vote on appointments to the appraisal district board adopt resolutions disapproving the budget and file them with the board’s secretary within 30 days after the budget’s adoption, the appraisal district budget does not take effect and the board is required to adopt a new budget within 30 days of the disapproval; and

WHEREAS, several large taxing units served by DCAD have adopted resolutions disapproving the district’s budget, including Lewisville Independent School District, the City of Denton, and Denton County; and

WHEREAS, over the course of the last several years, DCAD’s level of service has been markedly lacking, with poor communication and unresponsiveness that undermine City staff’s efforts to do its work; lack of engagement from the Chief Appraiser; incomplete or inaccurate information being provided; and certified estimates being provided in lieu of certified rolls, with such estimates sometimes being substantially different than the certified rolls ultimately provided; and

WHEREAS, property tax is the City’s single largest revenue source and adoption of a right-sized property tax rate hinges on having timely and accurate information from all of the appraisal districts serving counties in which the City has territory; and

WHEREAS, the above-noted issues have resulted in frustration by City staff and have presented challenges in the City’s budget-adoption process; and

WHEREAS, the Fort Worth City Council deems it unadvisable to acquiesce to adding nearly 20% to the DCAD budget without a concrete plan to address and correct the district’s ongoing challenges.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS THAT:

1. The City Council of the City of Fort Worth hereby disapproves the 2023 Budget adopted by the Denton Central Appraisal District on July 28, 2022; and
2. City staff is directed to file this resolution with the secretary of the DCAD board as soon as practicable following its adoption and under no circumstances later than August 27, 2022.

Adopted this _____day of August 2022.

ATTEST:

By: _____
Jannette S. Goodall, City Secretary