



CITY COUNCIL MEMORANDUM

FROM: Budget Department

DATE: June 26, 2017

SUBJECT: Approve an agreement with the Tarrant County Tax Assessor/Collector for tax assessment and collection services of ad valorem taxes for tax year 2017.

PRESENTER: Robert Myers, Budget Director

SUMMARY:

Since 1993, Tarrant County has provided tax assessment and collection services for the City of North Richland Hills. Staff requests that the City Council authorize the City Manager to execute a contract with Tarrant County in order to continue the provision of these services for Tax Year 2017.

GENERAL DESCRIPTION:

The Tarrant County Tax Assessor/Collector has submitted its annual agreement for property tax collection services. The county has collected property taxes for the City of North Richland Hills since October 1993. During this time, staff has been pleased with the county's performance, customer service and the cost savings realized by the city. A copy of the agreement is attached for Council consideration.

This agreement is essentially the same as the previous agreement. The proposed rate for Tax Year 2017 is \$0.98 per account; an increase of \$0.03. The county maintained a rate of \$0.50 per account from 1993 until 2008 when the rate increased to \$0.65. In 2012, the county raised the per account rate to \$0.90 and again in 2013 to \$1.10 per parcel. In 2016 Tarrant County reduced the rate to \$0.95.

The Tax Year 2017 rate is based on the Tarrant County Tax Assessor/Collector's actual cost for tax collection. The estimated number of accounts based on the preliminary tax roll received in June 2017 is 60,716. This is an increase of 297 accounts compared to the July 2016 Certified Tax Roll. Based on these accounts, the total estimated cost for this service is approximately \$59,502.

Staff believes the service provided by the Tax Assessor/Collector remains a good value. It would not be possible for the City of North Richland Hills to conduct the same service for the amount charged by Tarrant County.



RECOMMENDATION:

Authorize city manager to enter into an agreement with Tarrant County for tax assessment and collection services.