



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Christine Taylor

DATE: June 17, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas authorizing the City Manager to execute an Interlocal Agreement with Denton County for the County to provide Property Tax Billing and Collections Services for the City of Denton; providing a savings clause; and providing an effective date.

BACKGROUND

This Interlocal Agreement for tax collection services to be performed by Denton County was initially established in March 2007. At that time, the agreement was exclusive to the processing of statements and supplemental payments for the 2007 tax year and subsequent tax years. This Agreement was most recently approved by City Council on August 3, 2021, by Ordinance 21-1495.

The County currently processes approximately 58,702 tax statements and tax supplemental payments on the City's behalf. This arrangement is efficient because one entity is responsible for billing and collecting payments for all three taxing entities: the City, the County, and the School District.

This Interlocal Agreement continues to authorize Denton County to process tax statements and payments on behalf of the City of Denton. The price for this service will be \$1.41 per parcel; an increase from \$1.00 per parcel. By statute, the County is not allowed to profit, only recover cost of services, through the parcel fee. In addition, this agreement includes a flat rate of \$200 for parcels that do not meet the established parcel benchmark set by the County. Section 791 of the Government Code requires that all Cooperative Agreements be authorized by the governing body, regardless of the dollar amount.

RECOMMENDATION

Award an Interlocal Agreement with Denton County to provide tax processing services.

FISCAL INFORMATION

These services will be funded from the General Fund in the estimated annual amount of \$82,769. The initial term of this agreement shall be for a period of one year from October 1, 2025, to September 30, 2026. Following the initial term, this agreement shall automatically renew for subsequent one-year terms, unless written notice of termination is provided.

EXHIBITS

Exhibit 1 - Agenda Information Sheet

Exhibit 2 - Interlocal Agreement

Exhibit 3 - Ordinance

Prepared by:
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Respectfully submitted:
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