

CITY COUNCIL

MEETING AGENDA

AUGUST 22, 2022, 5:30 PM

CITY COUNCIL SPECIAL MEETING

HISTORIC CHURCH BUILDING - 403 N 7TH STREET, SANGER, TEXAS



CALL THE REGULAR MEETING TO ORDER AND ESTABLISH A QUORUM

CITIZENS COMMENTS

This is an opportunity for citizens to address the Council on any matter. Comments related to public hearings will be heard when the specific hearing begins. Citizens are allowed 3 minutes to speak. Each speaker must complete the Speaker's Form and include the topic(s) to be presented. Citizens who wish to address the Council with regard to matters on the agenda will be received at the time the item is considered. The Council is not allowed to converse, deliberate or take action on any matter presented during citizen input.

ACTION ITEMS

- [1.](#) Consideration and possible action on Resolution 2022-12, disapproving of the Denton Central Appraisal District 2023 budget.

ADJOURN

NOTE: The City Council reserves the right to adjourn into Executive Session as authorized by Texas Government Code, Section 551.001, et seq. (The Texas Open Meetings Act) on any item on its open meeting agenda in accordance with the Texas Open Meetings Act, including, without limitation Sections 551.071-551.087 of the Texas Open Meetings Act.

CERTIFICATION

I certify that a copy of this meeting notice was posted on the bulletin board at City Hall is readily accessible to the general public at all times and posted on the City of Sanger website on August 18, 2022, at 3:00 PM.

/s/Kelly Edwards
Kelly Edwards, City Secretary

The Historical Church is wheelchair accessible. Request for additional accommodations or sign interpretation or other special assistance for disabled attendees must be requested 48 hours prior to the meeting by contacting the City Secretary's Office at 940.458.7930.



CITY COUNCIL COMMUNICATION

DATE: August 22, 2022

FROM: Thomas Muir, Mayor

AGENDA ITEM: Consideration and possible action on Resolution 2022-12, disapproving of the Denton Central Appraisal District 2023 budget.

SUMMARY:

The Mayor will advise Council on the item during the meeting. See the attached County documents.

FISCAL INFORMATION:

Budgeted: N/A

Amount: \$0.00

GL Account: N/A

N/A

RECOMMENDED MOTION OR ACTION:

N/A

ATTACHMENTS:

Memo – Judge Andy Eads
Denton County Resolution
Resolution 2022-12



Andy Eads Denton County Judge

August 2, 2022

Denton County Judge Andy Eads delivered the following remarks during Commissioners Court today regarding the Denton Central Appraisal District and the resolution disapproving of the 2023 Denton CAD budget.

As prepared for delivery:

For several months, this Court has been critical of the operations of the Denton Central Appraisal District and sent a formal letter back in January to the Board of Directors expressing our great frustrations and lack of trust with the Denton CAD. It took over two months for them to reply.

To receive the latest news that the Denton CAD was unable to meet the deadline to deliver a Certified Tax Roll to the taxing entities and instead provided us with a Certified Estimate adds to our continued disappointment with the appraisal district.

More importantly, as a taxing entity, the County cannot maximize tax relief to our citizens during our current budget process if we do not have numbers that we can rely on.

Our County budget process is simple compared to the school districts and the complexities of funding education in the state.

Many people move to Denton County because of our great schools and we recognize the need for strong schools within our county.

It is concerning to me that the State Comptroller found that the Denton CAD failed to meet the ratio studies for several of our local school districts in tax year 2021, which can ultimately reduce funding for our schools.

From my understanding, the Denton CAD did not notify these school districts of this finding. Instead, some learned the property values were invalid from the Comptroller's Office.

In the Denton CAD's letter on July 21 to the taxing entities, the staff makes a plea to the taxing entities to approve the 2023 budget – a budget which increases by over 17%.

To increase a budget by over 17% is a clear sign that the appraisal district is out of touch with the needs of the taxing entities, especially as we face rising costs to provide services to our citizens, in addition to revenue caps imposed on us by the State Legislature.

For the past three years, the Denton County taxing entities have experienced challenges with DCAD's inability to timely and accurately certify the tax roll. This has been an alarming trend and the justification for not being able to meet the deadline is full of blame and excuses.

It is especially troubling the lack of trust in the information provided by the appraisal district. We recently reached out to the appraisal district to understand how over 24,000 properties under protests, which accounts for almost 25 percent of the total number of protests filed this season, were closed in the last week prior to sending a certified estimate to the taxing entities.

There is no doubt that many of the rank and file employees put in a lot of hard work. That is not the issue. We are all facing staffing challenges, yet we continue to do what is needed to meet the requirement. Examples include the law enforcement shortages we face in Denton County and working with other counties to house inmates to keep Denton County citizens safe or our school districts across the county facing teacher shortages yet still find ways to make sure our kids are educated.

When we face challenges, we have an opportunity to provide leadership and, sadly, leadership is lacking at Denton CAD.

While additional staffing requested in the new budget may be warranted due to Denton County's growth, lack of training among current staff is concerning. Adding an additional 18 full-time employees would not improve the situation if training, such as utilizing the software, is not addressed.

Exemptions are significantly delayed. This was publicly disclosed at the January board meeting by our Tax Assessor-Collector Michelle French, who discussed the challenges of not having exemptions applied to taxpayer accounts. At that time, exemption processing was six months behind. As I mentioned at a prior board meeting, I have taken calls from constituents who requested an exemption and it has been 9 months and still no response. Since January, very little has been done to resolve this situation.

The inability of the appraisal district to complete its work in a timely manner can have a devastating impact on our taxpayers, in particular, our elderly residents, disabled individuals and disabled veterans – all of whom will be forced to pay higher taxes without the exemptions in place. This is unacceptable.

A decision was made by the Denton CAD leadership to hire a Communications Liaison to help address "bad publicity." This clearly demonstrates a lack of prioritization when there is a significant need for additional residential appraisers to help with the protest process to meet the 95% threshold or customer service representatives to help get caught up on exemptions.

Additionally, in the recent five-year strategic plan presented at the board meeting last week, the report stated that there will be an effort to amend the 2022 budget to add 5 additional full-time employees and will utilize contingency funds in the upcoming months. Why was use of contingency funds not taken sooner to deliver a certified tax roll for this cycle?

The appraisal district has the ability to work with the taxing entities and amend the budget; however, no efforts were made during the 2022 appraisal cycle to find solutions to the continued challenges at the appraisal district.

As a taxing entity, we must know that DCAD is working efficiently and effectively before investing any more taxpayer dollars into the appraisal district.

This vote to veto the budget is also a vote of no confidence in the Denton Central Appraisal District. Denton County will not fund failure.



RESOLUTION DISAPPROVING OF THE DENTON CENTRAL APPRAISAL DISTRICT 2023 BUDGET

Item 1.

WHEREAS, Denton County is a taxing entity within the Denton Central Appraisal District and relies on the Denton Central Appraisal District for appraising property within the boundaries of the county for ad valorem tax purposes; and

WHEREAS, the Denton Central Appraisal District operations are funded solely by the local taxing entities served by the appraisal district, which includes Denton County; and

WHEREAS, on July 28, 2022 the Denton Central Appraisal District Board of Directors voted to approve of the 2023 Budget in the amount of \$17,997,944.33, an increase of 17.45% from the current 2022 budget; and

WHEREAS, pursuant to Chapter 6 of the Texas Property Tax Code, each taxing unit has a right to adopt a resolution disapproving of the Denton Central Appraisal District budget; and

WHEREAS, the Section 6.06 (b) of the Texas Property Tax Code further states that "if governing bodies of a majority of the taxing units entitled to vote on the appointment of board members adopt resolutions disapproving a budget and file them with the secretary of the board within 30 days after its adoption, the budget does not take effect, and the board shall adopt a new budget within 30 days of the disapproval."

NOW, THEREFORE, BE IT RESOLVED, the Denton County Commissioner Court disapprove of the 2023 Budget of the Denton Central Appraisal District; and

BE IT FURTHER RESOLVED, that this action demonstrate a lack of confidence in the Denton Central Appraisal District.

DONE IN OPEN COURT, this the 2nd Day of August, 2022 upon a motion made by Andy Eads and seconded by Dianne Edmondson and 3 members of the court being present and voting.

Andy Eads
ANDY EADS, COUNTY JUDGE

Absent
RYAN WILLIAMS, COMMISSIONER
PRECINCT 1

Bobbie J. Mitchell
BOBBIE J. MITCHELL, COMMISSIONER
PRECINCT 3

Absent
RON MARCHANT, COMMISSIONER
PRECINCT 2

Dianne Edmondson
DIANNE EDMONDSON, COMMISSIONER
PRECINCT 4

ATTEST:

JULI LUKE, County Clerk and Ex-Officio Clerk of the Commissioners Court
Of Denton County, Texas

By: [Signature]



CITY OF SANGER, TEXAS**RESOLUTION NO. 2022-12****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANGER, TEXAS, A HOME RULE MUNICIPALITY AND QUALIFIED TAXING ENTITY OF DENTON COUNTY, TEXAS, DISAPPROVING OF THE DENTON CENTRAL APPRAISAL DISTRICT 2023 BUDGET; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, Denton County is a taxing entity within the Denton Central Appraisal District (DCAD) and relies on the Denton Central Appraisal District for appraising property within the boundaries of the county for ad valorem tax purposes; and;

WHEREAS, the Denton Central Appraisal District operations are funded solely by the local taxing entities served by the appraisal district, which includes the City of Sanger; and;

WHEREAS, the DCAD Board took action on July 28, 2022, to adopt its 2023 budget; and

WHEREAS, on July 28, 2022 the Denton Central Appraisal District Board of Directors voted to approve the 2023 Budget in the amount of \$17,997,944.33, an increase of 17.45% from the current 2022 budget; and

WHEREAS, pursuant to Chapter 6 of the Texas Property Tax Code, each taxing unit has a right to adopt a resolution disapproving of the Denton Central Appraisal District budget; and

WHEREAS, the Section 6.06 (b) of the Texas Property Tax Code further states that “if governing bodies of a majority of the taxing units entitled to vote on the appointment of board members adopt resolutions disapproving a budget and file them with the secretary of the board within 30 days after its adoption, the budget does not take effect, and the board shall adopt a new budget within 30 days of the disapproval.”; and

WHEREAS, the City Council finds that the passage of this Resolution is in the best interest of the citizens of Sanger.

SECTION 1. The facts and recitals set forth in the preamble of this resolution are hereby found to be true and correct.

SECTION 2. The City Council hereby adopts this Resolution casting its vote of disapproval of the 2023 DCAD budget as adopted by the DCAD Board on July 28, 2022.

SECTION 3. That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED THIS THE 22ND DAY OF AUGUST 2022.

APPROVED:

Thomas E. Muir, Mayor

ATTEST:

Kelly Edwards, City Secretary

APPROVED TO FORM:

Hugh Coleman, City Attorney