



SPECIAL CALLED
MEETING OF THE
TEMPLE CITY COUNCIL
MUNICIPAL BUILDING

2 NORTH MAIN STREET
CITY COUNCIL CHAMBERS – 2ND FLOOR
TEMPLE, TX

FRIDAY, AUGUST 10, 2018

8:30 A.M.

AGENDA

I. CALL TO ORDER

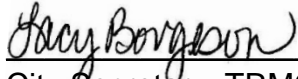
1. Invocation
2. Pledge of Allegiance

II. BUDGET ITEMS

3. **PUBLIC HEARING** – Conduct the first of two public hearings to receive comments on the proposed tax rate of 66.12 cents per \$100 valuation for fiscal year 2019 (2018 tax year), and announce meeting to adopt the proposed tax rate on August 24, 2018.
4. **2018-4926: FIRST READING - PUBLIC HEARING** – Consider adopting an ordinance approving the tax roll and authorizing calculation of the amount of tax that can be determined for all real and personal property in the City for the tax year 2018 (fiscal year 2019).
5. **2018-4927: FIRST READING - PUBLIC HEARING** - Consider adopting an ordinance setting a tax rate \$0.6612 per \$100 valuation, comprised of \$0.2982 for maintenance and operations and \$0.3630 for debt service, for Fiscal Year 2019 (Tax Year 2018), making the appropriation for the regular operation of the City.

The City Council reserves the right to discuss any items in executive (closed) session whenever permitted by the Texas Open Meetings Act.

I hereby certify that a true and correct copy of this Notice of Meeting was posted in a public place at 5:15 pm, on Monday, August 6, 2018.



City Secretary, TRMC

SPECIAL ACCOMMODATIONS: *Persons with disabilities who have special communication or accommodation needs and desire to attend this meeting should notify the City Secretary's Office by mail or telephone 48 hours prior to the meeting date.*



COUNCIL AGENDA ITEM MEMORANDUM

08/10/18
Item #3
Special Agenda
Page 1 of 5

DEPT./DIVISION SUBMISSION & REVIEW:

Brynn Myers, City Manager
Traci L. Barnard, Director of Finance

ITEM DESCRIPTION: PUBLIC HEARING – Conduct the first of two public hearings to receive comments on the proposed tax rate of 66.12 cents per \$100 valuation for fiscal year 2019 (2018 tax year), and announce meeting to adopt the proposed tax rate on August 24, 2018.

STAFF RECOMMENDATION: Conduct a public hearing but no action is required.

BACKGROUND: At the August 2, 2018 regular meeting, Council discussed the proposed tax rate of 66.12 cents per \$100 valuation and adopted a resolution scheduling the adoption of the proposed tax rate for August 24, 2018, and setting public hearings for August 10, 2018 and August 16, 2018 on the proposed tax rate for FY 2018-2019.

The proposed meeting dates and publication schedules comply with the Truth-In-Taxation requirements set forth by State Law and the City Charter.

The FY 2018-2019 budget was prepared with a preliminary total tax rate of 67.72 cents per \$100 valuation and a preliminary tax base of \$4,388,842,772 (an estimated 5.79% increase from prior year).

On July 16, 2018, the Chief Appraiser certified the tax roll of \$4,397,616,969 (a 6.00% increase from prior year). On July 26, 2018, the Chief Appraiser calculated the effective tax rate of 64.34 cents. Changes in the tax rate components as compared to the preliminary budget filed June 22, 2018 are as follows:

Comparing proposed tax rate of 66.12 cents to the *preliminary* rate of 67.72 cents as proposed in the budget filed on June 22, 2018:

	PRELIMINARY FY 2019	PROPOSED FY 2019	Increase (Decrease)
Proposed Tax Rate			
M&O (Maintenance & Operation)	\$ 0.3142	\$ 0.2982	\$ (0.0160)
I&S (Interest & Sinking - Debt)	0.3630	0.3630	-
	<u>\$ 0.6772</u>	<u>\$ 0.6612</u>	<u>\$ (0.0160)</u>

An adjustment of the certified taxable value (\$4,397,616,969) from the preliminary taxable value (\$4,388,842,772); and an increase in the frozen tax levy to \$2,424,899 from a preliminary levy of \$2,415,698 will result in a net decrease to the M&O revenue by \$591,814 as compared to the preliminary budget filed on June 22, 2018. The increase in the certified taxable value as compared to the preliminary taxable value will result in a net increase in the I&S debt revenue by \$33,014.

Comparing the proposed tax rate of 66.12 cents to the *current FY 2018 adopted* tax rate of 67.72 cents:

	FY 2018	PROPOSED FY 2,019	Increase (Decrease)
Proposed Tax Rate			
M&O (Maintenance & Operation)	\$ 0.3142	\$ 0.2982	\$ (0.0160)
I&S (Interest & Sinking - Debt)	0.3630	0.3630	-
	<u>\$ 0.6772</u>	<u>\$ 0.6612</u>	<u>\$ (0.0160)</u>

The I&S component of the tax rate includes the estimated additional tax rate adjustment to support the enhanced transportation capital improvement program.

Example 1 – Annual Property Tax - \$100,000 Taxable Value:

With the proposed tax rate of 66.12 cents per \$100 valuation, the cost to a homeowner with a taxable value of \$100,000 would decrease by \$16.00 per year (\$1.33 per month) if there was no change in taxable value from the prior year.

Example 2 – Annual Property Tax - Average Taxable Value for City of Temple:

The preceding tax year's average taxable value of a residence homestead in Temple was \$112,302. In the current tax year, the average taxable value a residence homestead in Temple is \$116,935. With the proposed tax rate of 66.12 cents per \$100 valuation, there would be an annual increase of \$12.66 in taxes (\$1.06 per month).

FISCAL IMPACT:

Changes from the preliminary tax rate and base used to calculate the filed budget on June 22, 2018 to the proposed rate with the certified tax roll as presented August 10, 2018 are as follows:

	Filed Budget 06/22/18	Proposed Budget 08/10/18	Increase/ (Decrease)
<i>Tax Base*</i>	\$4,388,842,772	\$4,397,616,969	\$8,774,197
<i>Tax Rate:</i>			
(General) M&O	31.42¢	29.82¢	(1.60¢)
(Debt) I&S	36.30¢	36.30¢	0.00¢
Total Tax Rate	67.72¢	66.12¢	(1.60¢)
<i>Tax Levy:</i>			
(General) M&O	\$12,268,598	\$11,710,076	(\$558,522)
Frozen Taxes	2,415,698	2,424,899	9,201
(Debt) I&S	14,174,096	14,254,720	80,624
Total Tax Levy*	\$28,858,392	\$28,389,695	(\$468,697)
<i>Budget:</i>			
Projected Revenues	\$74,509,833	\$74,018,019	(\$491,814)
Proposed Expenditures	77,521,308	77,029,494	(\$491,814)

*Excludes Reinvestment Zone No. 1

FY 2019

GENERAL FUND PROPOSED BUDGET

SCHEDULE OF ADJUSTMENTS AFTER FILING PROPOSED BUDGET

	Proposed Budget		Increase (Decrease)
	Filed Copy as of 06-22-18	Current as of 08-10-18	
Projected Revenues	\$ 74,509,833	\$ 74,018,019	\$ (491,814) ^A
Proposed Budget Expenditures	76,014,508	75,522,694	(491,814) ^B
Excess Revenues Over (Under) Expenditures	(1,504,675)	(1,504,675)	-
Transfers In (Out):			
Less: Transfer Out To Debt Service Fund -			
LTN 2013 - Sanitation Vehicles, CNG Facility and Recycling Containers	(983,300)	(983,300)	-
CO 2017 - Sanitation Vehicles	(274,000)	(274,000)	-
CO 2017 - PS P25 Radios	(249,500)	(249,500)	-
Total Transfer In (Out)	(1,506,800)	(1,506,800)	-
Excess Revenues Over (Under) Expenditures for FY 2019	\$ (3,011,475)	\$ (3,011,475)	\$ -
Recommended Use of Undesignated Fund Balance:			
- TEDC Matrix Funding	\$ 863,236	\$ 863,236	\$ -
- Strategic Investment Zone Funding	100,000	100,000	-
- Capital Funded with Fund Balance	1,524,739	1,854,739	330,000
- Capital Replacement - Sanitation Vehicles	274,000	274,000	-
- Capital Replacement - PS P25 Radios	249,500	249,500	-
	\$ 3,011,475	\$ 3,341,475	\$ 330,000

Explanation of Changes from Filed Budget to Proposed Budget @ 08/02/2018:

^A **Revenue Changes:**

Required adjustment from preliminary to certified tax roll	\$ (591,814)
Adjusted revenue estimates	100,000
Total Revenue Changes	\$ (491,814)

^B **Expenditure Changes:**

Various operational adjustments	\$ (161,814)
Funding source change for Axon (O&M to Undesignated Fund Balance)	(330,000)
Total Expenditures Changes	\$ (491,814)
Net Revenue Over (Under) Expenditures	\$ -

FY 2019

DEBT SERVICE FUND PROPOSED BUDGET

SCHEDULE OF ADJUSTMENTS AFTER FILING PROPOSED BUDGET

	Proposed Budget		Increase (Decrease)
	Filed Copy as of 06-22-18	Current as of 08-10-18	
Projected Revenues	\$ 15,578,295	\$ 15,611,309	\$ 33,014 ^A
Proposed Budget Expenditures	17,450,971	17,450,971	- ^B
Excess Revenues Over (Under) Expenditures	<u>\$ (1,872,676)</u>	<u>\$ (1,839,662)</u>	<u>33,014</u>
Transfers In (Out):			
Plus: Transfer In From General Fund -			
LTN 2013 - Sanitation Vehicles, CNG Facility and Recycling Containers	983,300	983,300	-
CO 2017 - Sanitation Vehicles	274,000	274,000	-
CO 2017 - PS P25 Radios	249,500	249,500	-
Plus: Transfer In From Drainage Fund -			
CO 2017 - Drainage CIP	264,169	264,169	-
Total Transfer In (Out)	<u>1,770,969</u>	<u>1,770,969</u>	<u>-</u>
Excess Revenues Over (Under) Expenditures for FY 2018	<u>\$ (101,707)</u>	<u>\$ (68,693)</u>	<u>\$ 33,014</u>
Recommended Use of Undesignated Fund Balance	101,707	68,693	(33,014) ^A
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Explanation of Changes from Filed Budget to Proposed Budget @ 08/02/2018:

^A Revenue Changes:

Required adjustment from preliminary to certified tax roll	\$ 33,014
Decrease in recommended use of Undesignated Fund Balance	(33,014)
Total Revenue Changes	<u>\$ -</u>

^B Expenditure Changes:

None	\$ -
Total Expenditures Changes	<u>\$ -</u>
Net Revenue Over (Under) Expenditures	<u>\$ -</u>

ATTACHMENTS:

None



COUNCIL AGENDA ITEM MEMORANDUM

08/10/18
Item #4
Special Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Traci L. Barnard, Director of Finance

ITEM DESCRIPTION: FIRST READING – Consider adopting an ordinance approving the tax roll and authorizing calculation of the amount of tax that can be determined for all real and personal property in the City for the tax year 2018 (fiscal year 2019).

STAFF RECOMMENDATION: Adopt ordinance as presented in item description, on first reading and schedule second reading, public hearing, and final adoption for August 24, 2018.

BACKGROUND: The proposed ordinance will adopt the ad valorem property tax roll certified by the Tax Appraisal District of Bell County, in the amount of \$4,838,107,737. The total 2018 taxable value is as follows:

Taxable Value –

	Certified <u>Taxable Value</u>	% of +/- <u>from Prior Year</u>
City of Temple	\$3,926,920,106	6.49%
Freeze Taxable*	<u>470,696,863</u>	<u>2.09%</u>
Total Adjusted Value	\$4,397,616,969	6.00%
Tax Increment District (Reinvestment Zone No. 1)	<u>440,490,768</u>	<u>3.38%</u>
Total Taxable Value	<u><u>\$4,838,107,737</u></u>	<u><u>5.76%</u></u>

FISCAL IMPACT: The tax levy at the proposed tax rate of \$0.6612 in the 2018-2019 fiscal year is:

TAX RATE			TAX LEVY		
	FY 2019	FY 2018		FY 2019	FY 2018
Maintenance & Operations	\$ 0.2982	\$ 0.3142	Maintenance & Operations	\$ 11,710,076	\$ 11,586,407
Debt Service	0.3630	0.3630	Debt Service	14,254,720	13,385,951
	--	--	Frozen Taxes*	2,424,899	2,382,511
Total Tax Rate	<u>\$ 0.6612</u>	<u>\$ 0.6772</u>	Total Tax Levy	<u>\$ 28,389,695</u>	<u>\$ 27,354,869</u>
			Budget w/M&O at 99% Collection	<u>\$ 28,248,345</u>	<u>\$ 27,215,180</u>
			and I&S at 100% Collection		
Tax Increment District			Tax Increment District		
(Reinvestment Zone No. 1)			(Reinvestment Zone No. 1)		
Total Tax Rate	<u>\$ 0.6612</u>	<u>\$ 0.6772</u>	Total Tax Levy	<u>\$ 2,912,525</u>	<u>\$ 2,885,341</u>

* - Frozen value = \$470,696,863

ATTACHMENTS:

[2018 Certified Tax Roll Ordinance](#)

TAX APPRAISAL DISTRICT

Of
BELL COUNTY



P.O. Box 390
Belton, Texas 76513-0390

CHIEF APPRAISER
Marvin Hahn, RPA, RTA
DEPUTY CHIEF APPRAISER
Roger Chesser, RPA, RTA
BUSINESS/FINANCIAL MANAGER
Mary Lou David, RTC
CHIEF ACCOUNTANT
Vivian Mitchell, RTC
CHIEF COLLECTIONS
Tammy Hubnik, RPA, RTA
CHIEF MAPPING
Sarah Hejl
ADMINISTRATIVE ASSISTANT
Linda Hearell, RTA

BOARD MEMBERS
Royce Matkin, Chairman
Jared Bryan Vice Chairman / Secretary

DIRECTORS
Christopher Flor
Susan Jones
Hal Schiffman
Scott Morrow
Virginia Suarez

July 16, 2018

City of Temple
Tim Davis, Mayor
2 North Main Street, Ste 103
Temple TX 76501

Dear Mayor Davis

The enclosed information contains the certified values for the 2018 tax year for your entity. The Appraisal Review Board of Bell County certified the appraisal roll on the 13th of July 2018. The Appraisal District has certified a total net taxable value for your entity as \$4,838,107,737.

Sincerely

Marvin Hahn
Chief Appraiser

MH/lh

2018 CERTIFIED TOTALS

Property Count: 38,098

TTE - CITY OF TEMPLE

Grand Totals

7/14/2018 2:59:09PM

Land		Value			
Homesite:		317,745,508			
Non Homesite:		386,236,835			
Ag Market:		62,631,137			
Timber Market:		0	Total Land	(+)	766,613,480
Improvement		Value			
Homesite:		2,524,646,724			
Non Homesite:		1,972,120,872	Total Improvements	(+)	4,496,767,596
Non Real		Count	Value		
Personal Property:	2,819		1,123,973,498		
Mineral Property:	0		0		
Autos:	936		10,190,642	Total Non Real	(+)
				Market Value	=
					1,134,164,140
					6,397,545,216
Ag		Non Exempt	Exempt		
Total Productivity Market:	62,110,608		520,529		
Ag Use:	3,744,402		34,964	Productivity Loss	(-)
Timber Use:	0		0	Appraised Value	=
Productivity Loss:	58,366,206		485,565		6,339,179,010
				Homestead Cap	(-)
				Assessed Value	=
				Total Exemptions Amount	(-)
				(Breakdown on Next Page)	1,496,982,486
				Net Taxable	=
					4,838,107,737

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count		
DP	43,543,467	24,652,026	127,479.85	146,359.47	449		
DPS	285,300	108,507	590.93	881.21	3		
OV65	657,381,614	445,936,330	2,296,828.69	2,372,979.57	4,900		
Total	701,210,381	470,696,863	2,424,899.47	2,520,220.25	5,352	Freeze Taxable	(-)
Tax Rate	0.677200						470,696,863
Transfer	Assessed	Taxable	Post % Taxable	Adjustment	Count		
DP	153,191	97,553	82,974	14,579	2		
OV65	1,408,421	1,060,796	824,526	236,270	9		
Total	1,561,612	1,158,349	907,500	250,849	11	Transfer Adjustment	(-)
						Freeze Adjusted Taxable	=
							4,367,160,025

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE * (TAX RATE / 100)) + ACTUAL TAX
 31,999,307.16 = 4,367,160,025 * (0.677200 / 100) + 2,424,899.47

Tif Zone Code	Tax Increment Loss
TETIF1	386,542,737
TETIF2	53,948,031
Tax Increment Finance Value:	440,490,768
Tax Increment Finance Levy	2,983,003.48

Bell County

2018 CERTIFIED TOTALS

As of Certification

Property Count: 38,098

TTE - CITY OF TEMPLE
Grand Totals

7/14/2018

2:59:22PM

Exemption Breakdown

Exemption	Count	Local	State	Total
AB	16	374,237,272	0	374,237,272
CH	28	17,687,267	0	17,687,267
CHODO	1	7,808,573	0	7,808,573
DP	487	4,313,607	0	4,313,607
DPS	6	50,000	0	50,000
DV1	241	0	1,967,050	1,967,050
DV1S	34	0	160,000	160,000
DV2	217	0	1,917,329	1,917,329
DV2S	17	0	120,000	120,000
DV3	273	0	2,606,000	2,606,000
DV3S	25	0	230,000	230,000
DV4	679	0	5,390,606	5,390,606
DV4S	94	0	792,000	792,000
DVHS	638	0	102,844,269	102,844,269
DVHSS	61	0	8,834,259	8,834,259
EX-XG	3	0	203,697	203,697
EX-XI	2	0	245,220	245,220
EX-XJ	6	0	9,119,927	9,119,927
EX-XL	31	0	2,763,026	2,763,026
EX-XR	5	0	202,652	202,652
EX-XV	2,786	0	474,845,401	474,845,401
EX-XV (Prorated)	9	0	24,320	24,320
EX366	51	0	13,691	13,691
FR	2	0	0	0
HS	14,357	393,613,812	0	393,613,812
LIH	2	0	3,424,376	3,424,376
MASSS	2	0	577,703	577,703
OV65	5,167	48,849,694	0	48,849,694
OV65S	354	3,263,002	0	3,263,002
PC	23	30,877,733	0	30,877,733
Totals		880,700,960	616,281,526	1,496,982,486

Bell County

2018 CERTIFIED TOTALS

As of Certification

Property Count: 38,098

TTE - CITY OF TEMPLE
Grand Totals

7/14/2018 2:59:22PM

State Category Breakdown

State Code	Description	Count	Acres	New Value Market	Market Value
A	SINGLE FAMILY RESIDENCE	22,083		\$92,149,567	\$2,866,708,996
B	MULTIFAMILY RESIDENCE	1,026		\$1,949,900	\$293,256,538
C1	VACANT LOTS AND LAND TRACTS	2,814		\$1,650	\$52,320,535
D1	QUALIFIED AG LAND	490	12,208.8863	\$0	\$62,110,366
D2	IMPROVEMENTS ON QUALIFIED OPEN SP	52		\$4,272	\$583,432
E	FARM OR RANCH IMPROVEMENT	557	4,683.5656	\$985,601	\$64,111,349
F1	COMMERCIAL REAL PROPERTY	1,793		\$14,947,457	\$610,955,208
F2	INDUSTRIAL REAL PROPERTY	128		\$0	\$746,662,509
J1	WATER SYSTEMS	2		\$0	\$82,907
J2	GAS DISTRIBUTION SYSTEM	7		\$0	\$10,885,045
J3	ELECTRIC COMPANY (INCLUDING CO-OP	27		\$0	\$65,904,708
J4	TELEPHONE COMPANY (INCLUDING CO-	17		\$0	\$6,695,880
J5	RAILROAD	28		\$0	\$39,425,274
J6	PIPELINE COMPANY	56		\$0	\$3,928,124
J7	CABLE TELEVISION COMPANY	4		\$0	\$7,583,201
L1	COMMERCIAL PERSONAL PROPERTY	3,156		\$1,720,523	\$319,433,334
L2	INDUSTRIAL PERSONAL PROPERTY	312		\$0	\$634,610,590
M1	TANGIBLE OTHER PERSONAL, MOBILE H	413		\$118,083	\$3,954,210
O	RESIDENTIAL INVENTORY	2,548		\$22,988,177	\$61,648,479
S	SPECIAL INVENTORY TAX	51		\$0	\$30,346,381
X	TOTALLY EXEMPT PROPERTY	2,924		\$65,000	\$516,338,150
	Totals		16,892.4519	\$134,930,230	\$6,397,545,216

2018 CERTIFIED TOTALS

Property Count: 38,098

TTE - CITY OF TEMPLE
Effective Rate Assumption

7/14/2018 2:59:22PM

New Value

TOTAL NEW VALUE MARKET:	\$134,930,230
TOTAL NEW VALUE TAXABLE:	\$119,604,670

New Exemptions

Exemption	Description	Count	2017 Market Value	
EX-XL	11,231 Organizations Providing Economic Deve	1	2017 Market Value	\$0
EX-XV	Other Exemptions (including public property, r	123	2017 Market Value	\$2,835,060
EX366	HOUSE BILL 366	15	2017 Market Value	\$46,372
ABSOLUTE EXEMPTIONS VALUE LOSS				\$2,881,432

Exemption	Description	Count	Exemption Amount
DP	DISABILITY	19	\$180,000
DV1	Disabled Veterans 10% - 29%	22	\$152,000
DV1S	Disabled Veterans Surviving Spouse 10% - 29%	2	\$10,000
DV2	Disabled Veterans 30% - 49%	16	\$142,500
DV2S	Disabled Veterans Surviving Spouse 30% - 49%	3	\$22,500
DV3	Disabled Veterans 50% - 69%	36	\$376,000
DV3S	Disabled Veterans Surviving Spouse 50% - 69%	2	\$20,000
DV4	Disabled Veterans 70% - 100%	96	\$1,068,000
DV4S	Disabled Veterans Surviving Spouse 70% - 100	7	\$60,000
DVHS	Disabled Veteran Homestead	56	\$8,158,003
HS	HOMESTEAD	900	\$31,109,043
OV65	OVER 65	327	\$3,132,416
PARTIAL EXEMPTIONS VALUE LOSS		1,486	\$44,430,462
NEW EXEMPTIONS VALUE LOSS			\$47,311,894

Increased Exemptions

Exemption	Description	Count	Increased Exemption Amount
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INCREASED EXEMPTIONS VALUE LOSS

TOTAL EXEMPTIONS VALUE LOSS \$47,311,894

New Ag / Timber Exemptions**New Annexations****New Deannexations****Average Homestead Value**

Category A and E

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
14,207	\$144,883	\$27,948	\$116,935
Category A Only			

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
14,052	\$144,449	\$27,845	\$116,604

Bell County

2018 CERTIFIED TOTALS

As of Certification

TTE - CITY OF TEMPLE
Lower Value Used

Count of Protested Properties	Total Market Value	Total Value Used
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ORDINANCE NO 2018-4926

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, APPROVING THE TAX ROLL AND AUTHORIZING CALCULATION OF THE AMOUNT OF TAX THAT CAN BE DETERMINED FOR ALL REAL AND PERSONAL PROPERTY IN THE CITY FOR THE TAX YEAR 2018 (FISCAL YEAR 2019); AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS AS MAY BE REQUIRED BY THE TAX APPRAISAL DISTRICT OF BELL COUNTY; PROVIDING AN EFFECTIVE DATE; PROVIDING A SEVERABILITY CLAUSE; DECLARING FINDINGS OF FACT; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Chief Appraiser has determined the total appraised value, the total assessed value, and the total taxable value of property taxable within the City of Temple, Texas, in order to submit the Tax Appraisal Roll to the City Council as required by Article 26.04 of the Property Tax Code;

Whereas, the Chief Appraiser has presented evidence that, in order to verify all calculations of the Tax Appraisal District of Bell County and to fully comply with the legal requirements of the City Charter and State law, that August 24, 2018, is the date that is as soon as practicable after August 2, 2018, to present the Tax Appraisal Roll to the City Council, and the City Council after a public hearing has determined this to be true; and

Whereas, the City Council desires to approve the Tax Roll for tax year 2018 (fiscal year 2019) and to authorize calculation of the amount of tax that can be determined as a prerequisite to adopting the tax rate for the tax year 2018 (fiscal year 2019) as submitted by the Tax Appraisal District of Bell County.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS:

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

Part 2: The City Council approves the Tax Appraisal Roll, as previously submitted by the Tax Appraisal District of Bell County, showing the total taxable assessed value of all real and personal property within the limits of the City of Temple, Texas, at **\$4,838,107,737**, more particularly shown on the attached Exhibit 'A,' which is made a part of this Ordinance for all purposes as if written word for word herein, and authorizing assessment at 100% of market value.

Part 3: The City Council authorizes the Mayor of the City of Temple, Texas, to execute all documents as may be required to calculate the amount of tax that can be determined as a prelude to adopting the tax rate for the tax year 2018 (fiscal year 2019) for the City of Temple, Texas, as may be required by the Tax Appraisal District of Bell County.

Part 4: The declarations, determinations, and findings declared, made and found in the preamble of this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Part 5: This Ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas.

Part 6: If any provision of this Ordinance or the application of any provision to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Part 7: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading on the **10th** day of **August**, 2018.

PASSED AND APPROVED on Second Reading and Public Hearing on the **24th** day of **August**, 2018.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

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Item #5
Special Agenda
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DEPT./DIVISION SUBMISSION & REVIEW:

Traci L. Barnard, Director of Finance

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING: Consider adopting an ordinance setting a tax rate \$0.6612 per \$100 valuation, comprised of \$0.2982 for maintenance and operations and \$0.3630 for debt service, for Fiscal Year 2019 (Tax Year 2018), making the appropriation for the regular operation of the City.

STAFF RECOMMENDATION: Adopt ordinance as presented in item description, on first reading and schedule second reading, public hearing, and final adoption for August 24, 2018.

ITEM SUMMARY: The Fiscal 2018-2019 Budget will require adoption of a property tax rate of \$0.6612 per \$100 of taxable assessed property value. The proposed tax rate will generate \$25,964,796 of property tax levy when applied to an ad valorem tax base of \$4,397,616,969 less \$470,696,863 of frozen taxable value. In addition, there will be \$2,424,899 in frozen tax levy for a total property tax levy of \$28,389,695. The proposed tax rate of \$0.6612 represents a 2.77% increase over the effective tax rate of \$0.6434.

The fiscal year 2018-2019 tax rate is comprised of the Maintenance and Operation rate and the Debt Service rate. These two components are as follows:

TAX RATE			TAX LEVY		
	FY 2019	FY 2018		FY 2019	FY 2018
Maintenance & Operations	\$ 0.2982	\$ 0.3142	Maintenance & Operations	\$11,710,076	\$11,586,407
Debt Service	0.3630	0.3630	Debt Service	14,254,720	13,385,951
	--	--	Frozen Taxes*	2,424,899	2,382,511
Total Tax Rate	<u>\$ 0.6612</u>	<u>\$ 0.6772</u>	Total Tax Levy	<u>\$28,389,695</u>	<u>\$27,354,869</u>
			Budget w/M&O at 99% Collection and I&S at 100% Collection	<u>\$28,248,345</u>	<u>\$27,215,180</u>
Tax Increment District (Reinvestment Zone No. 1)			Tax Increment District (Reinvestment Zone No. 1)		
Total Tax Rate	<u>\$ 0.6612</u>	<u>\$ 0.6772</u>	Total Tax Levy	<u>\$ 2,912,525</u>	<u>\$ 2,885,341</u>

* - Frozen value = \$470,696,863

The residential homestead exemption for property owners is \$5,000 or 20% of the assessed value whichever is greater. In addition to the homestead exemption, property owners 65 years of age or older will continue to receive an additional \$10,000 exemption and all disabled individual property owners will receive an exemption of \$10,000 in accordance with Texas Tax Code Section 11.13.

The ad valorem tax freeze on the residence homestead of a person who is disabled or sixty-five (65) years of age or older (as approved in an election held in the City of Temple on May 7, 2005) applies to Tax Year 2006 (FY 2007). The amount of the qualifying homeowners tax ceiling was determined on the Tax Year 2005 (FY 2006). Future city taxes on that homestead cannot exceed the 2005 tax amount (but may be less). The tax limitation, however, may be adjusted higher for an increase in improvements to the homestead, other than repairs and those improvements made to comply with governmental regulations.

The motion to adopt an ordinance setting a tax rate that exceeds the effective tax rate must be made in the following form: **"I move that the property tax rate be decreased by the adoption of a tax rate of \$0.6612, which is effectively a 2.77 percent increase in the tax rate."**

Pursuant to Section 11.20 of the City Charter, all taxpayers shall be allowed discounts for the payment of taxes due to the City if such taxes are paid in the year for which such taxes are due as follows: 3% in October; 2% in November; and 1% in December.

FISCAL IMPACT:

Example – Annual Property Tax - \$100,000 Taxable Value:

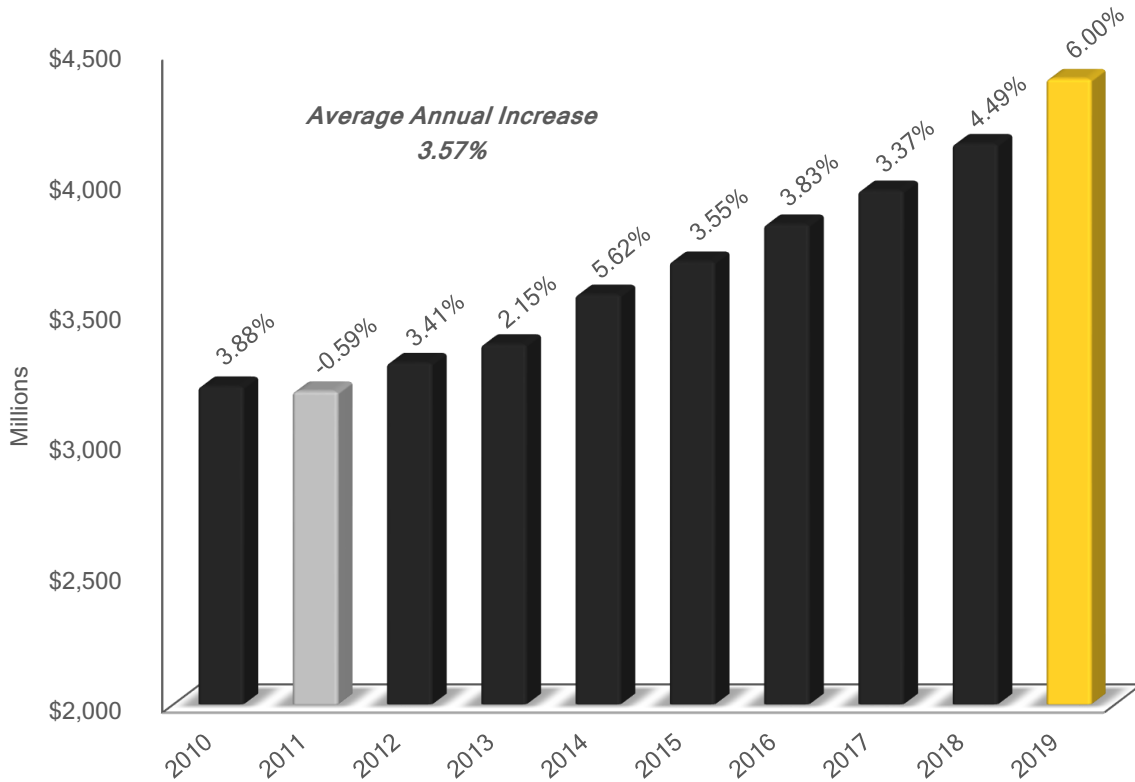
With the proposed tax rate of \$0.66122 per \$100 valuation, the cost to a homeowner with a taxable value of \$100,000 would decrease by \$16.00 per year (\$1.33 per month) if there was no change in taxable value from the prior year.

ATTACHMENTS:

[Assessed Value of Taxable Property Ordinance](#)

CITY OF TEMPLE, TEXAS
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ending September 30,	Taxable Property Valuation	Percent (%) Increase (Decrease)
2010	\$ 3,221,022,514	3.88%
2011	3,201,978,908	-0.59%
2012	3,311,259,863	3.41%
2013	3,382,401,984	2.15%
2014	3,572,423,141	5.62%
2015	3,699,245,668	3.55%
2016	3,840,746,157	3.83%
2017	3,970,340,738	3.37%
2018	4,148,669,011	4.49%
2019	\$4,397,616,969	6.00%
Average Annual Increase		3.57%



ORDINANCE NO 2018-4927

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, SETTING A TAX RATE OF \$0.6612 PER \$100 VALUATION, COMPRISED OF \$0.2982 FOR MAINTENANCE AND OPERATIONS AND \$0.3630 FOR DEBT SERVICE FOR FISCAL YEAR 2019 (TAX YEAR 2018); MAKING THE APPROPRIATIONS FOR THE REGULAR OPERATION OF THE CITY; DECLARING FINDINGS OF FACT; PROVIDING AN EFFECTIVE DATE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the City Council held a public hearing on the proposed fiscal year 2018-2019 budget on August 2, 2018, and at that meeting they discussed the tax rate and took a vote to set the meeting for adoption of the proposed tax rate of \$0.6612 per \$100 valuation for August 24, 2018;

Whereas, the fiscal year 2018-2019 budget will require adoption of a property tax rate of \$0.6612 per \$100 of taxable assessed property value which will generate \$25,964,796 of property tax levy when applied to an ad valorem tax base of \$4,397,616,969 less \$470,696,863 of freeze taxable value;

Whereas, there will also be \$2,424,899 in frozen tax levy for a total property tax levy of \$28,389,695;

Whereas, the proposed tax rate of \$0.6612 represents a 2.77% increase over the effective tax rate of \$0.6434;

Whereas, the fiscal year 2018-2019 tax rate is comprised of the Maintenance and Operation rate as well as the Debt Service rate;

Whereas, the City Council approved the tax appraisal roll and authorized the collection of the total amount of tax that can be determined for the tax year 2018 (fiscal year 2019) and desires to establish the tax rate on \$100 valuation of all property; real, personal, and mixed, subject to taxation for that tax year that would result in a tax rate of \$0.6612 per \$100 of assessed property valuation.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

Part 2: The following tax rate on \$100 valuation for the City of Temple, Texas, be and is hereby adopted for the tax year 2018-2019 as follows:

For the purpose of maintenance and operation;	\$ 0.2982
For the payment of principal and interest on bonds, warrants and certificates of obligation and other debt of this City;	<u>\$ 0.3630</u>
TOTAL TAX RATE	<u>\$0.6612</u> per each \$100 of assessed property valuation
Total Estimated Tax Levy (100%)	<u>\$28,248,345</u>
<u>Total Estimated Tax Levy –</u> <u>(Tax Increment District for City of Temple)</u>	<u>\$2,912,525</u>

The above tax rate is hereby adopted on the assessed valuation of all property, real, personal and mixed, subject to taxation by the City of Temple for the tax year 2018, for the City's departmental purposes for interest and sinking fund accounts in accordance with the budget adopted by the City Council on the 24th day of August, 2018, to-wit: and all such ad valorem taxes shall become due on the 31st day of January, 2019, and shall, unless paid, become delinquent on the 1st day of February, 2019.

Part 3: The Director of Finance is hereby authorized to assess and collect the taxes of the City of Temple employing the above tax rate.

Part 4: The *Residential Homestead Exemption* for property owners shall remain at \$5,000 or 20% of the assessed value whichever is greater. The *Over 65 Residential Homestead Exemption* shall remain at \$10,000. The *Disabled Individual Property Owners Exemption* shall be \$10,000 (as authorized by an Ordinance passed by the City Council on July 3, 2003, and in accordance with Texas Tax Code Section 11.13).

Part 5: The ad valorem tax freeze on the residence homestead of a person who is disabled or sixty-five (65) years of age or older shall also be effective (as authorized in an election held in the City of Temple on May 7, 2005). The amount of tax year 2005 City taxes will set the qualifying homeowners tax ceiling amount. Future City taxes on that homestead cannot exceed the tax year 2005 tax amount (but may be less). The tax limitation, however, may be adjusted higher for an increase in improvements to the homestead, other than repairs and those improvements made to comply with governmental regulations.

Part 6: All monies on hand on the 1st day of October, 2018, belonging to the City of Temple, Texas, and other than monies belonging to the credit of its Water and Sewer Departments, and all monies received by the City during the fiscal year 2019, other than monies received from operation of its Water and Sewer Department, be and are hereby appropriated for the several purposes other than its water and sewer systems and in the respective amounts set forth in the budget adopted by the City Council on the 24th day of August, 2018.

Part 7: Any funds needed for carrying out the budget shall be financed by deficiency warrants, and authority is hereby given to the City Manager and the Mayor to issue deficiency warrants, if necessary, to defray the current expenses for the City during the ensuing fiscal year in such amounts and at such times as shall be necessary in the judgment of the City Council.

Part 8: The declarations, determinations, and findings declared, made and found in the preamble of this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Part 9: This Ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas.

Part 10: If any provision of this Ordinance or the application of any provision to any person or circumstance is held invalid, the invalidity shall not effect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Part 11: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading on the **10th** day of **August**, 2018.

PASSED AND APPROVED on Second Reading and Public Hearing on the **24th** day of **August**, 2018.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney