

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: City Manager - Office of Management & Budget
AGENDA DATE: August 9, 2016
CONTACT PERSON/PHONE: Robert Cortinas, Director of OMB, (915) 212-1092
DISTRICT(S) AFFECTED: All
SUBJECT:

1st Public Hearing on the Proposed FY2017 Property Tax Rate of \$0.768310

BACKGROUND / DISCUSSION:

The City of El Paso is holding the first of two public hearings to discuss the property tax rate introduced on July 28, 2016. Texas Tax Code § 26.05(d) requires at least two public hearings before the adoption of an ordinance levying taxes, if the proposed tax rate exceeds the lower of the rollback rate or the effective tax rate. Texas Tax Code § 26.06 provides that the first hearing may not be held before the seventh day after the date the notice of the public hearing is given. Notice of the public hearings was given on Friday, July 29, 2016, a date more than seven days before August 9, 2016.

PRIOR COUNCIL ACTION:

Yes, the Ordinance levying 2017 taxes was introduced on July 28, 2016.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:  **DATE:** 8/1/16

ORDINANCE NO. _____

CITY CLERK DEPT.

AN ORDINANCE LEVYING 2017 TAXES

2016 JUL 28 AM 7:27

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

SECTION 1: That ad valorem taxes for the tax year ending December 31, 2016 to fund the City's budgetary requirements for the fiscal year ending August 31, 2017, be and are hereby levied on all property, real personal, and mixed, subject to taxation by the City, at the rate of **0.768310** of one percent of the assessed value of said property as hereinafter set forth:

A. For General Purposes:

For the General Fund and for the purpose of defraying current municipal expenses of the City of El Paso not otherwise provided for, **0.494295** of one percent.

B. For Special Purposes:

To pay the interest on and provide a Sinking Fund to redeem bonds a total Levy for Special Purposes **0.274015** of one percent.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.21 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$10.69.

SECTION 2: Occupational Tax:

There is hereby levied on every person, firm, association or corporation pursuing within the limits of the City of El Paso any occupation taxes by the State of Texas as authorized by City Council an annual tax equal to one-half of the occupation tax levied by the State of Texas thereon.

PASSED AND APPROVED this 23rd day of August, 2016.

CITY OF EL PASO

Oscar Leeser
Mayor

ORDINANCE NO. _____
PL No. 549148

ATTEST:

CITY CLERK DEPT.

2016 JUL 28 AM 7:27

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Don W. Minton
City Attorney's Office

APPROVED AS TO CONTENT:

Robert Cortinas, Director
Office of Management and Budget

ORDINANCE NO. _____
PL No. 549148



City of El Paso

1st Public Hearing
Proposed Tax Rate
August 9, 2016

"Delivering Outstanding Services"



FY 2017 Certified Values

FY 2016 Certified Values	\$32,798,025,471
FY 2017 Certified Values	\$33,416,781,763
\$ Change from FY 2016 Certified Values	\$618,756,292
% Change from FY 2016 Certified Values	1.89%

FY 2017 Preliminary Values	\$34,732,219,214
FY 2017 Certified Values	\$33,416,781,763
% Change from FY 2017 Preliminary Values	(3.79%)*

* Proposed Budget included projected decrease of (3.52%)



Tax Rates

	FY 2016 Adopted	FY 2017 Proposed	FY 2017 Revised	Variance Revised/ Adopted
M & O Rate	0.478130	0.495630	0.494295	0.0162
Debt Service	0.251595	0.272680	0.274015	0.0224
Total Rate	0.729725	0.768310	0.768310	0.0386



Tax Rates

Proposed Rate	\$0.768310/\$100	} \$0.030268
Effective Rate	\$0.738042/\$100	
Rollback Rate	\$0.796305 /\$100	



Maintenance & Operations Tax Rates

Proposed M & O Rate	\$0.494295/\$100	} \$0.010693
Effective M & O Rate	\$0.483602/\$100	
Rollback M & O Rate	\$0.522290/\$100	



Tax Increase Impact

	Valuation ¹	Tax Rate	Property Tax Levy	Variance
FY 2016 Adopted	\$100,000	0.729725	\$729.73	
FY 2017 Proposed	\$100,000	0.768310	\$768.31	\$38.59/yr. ² . \$3.22/mo.
FY 2017 Effective	\$100,000	0.738042	\$738.04	\$8.32/yr. \$0.69/mo.

¹ After \$5,000 homestead exemption

² Breakdown = \$16.17 Increase for O & M (Fire Collective Bargaining & QoL operating and \$22.42 Increase for Debt (QoL and Streets)

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Over 65/Disability Exemption

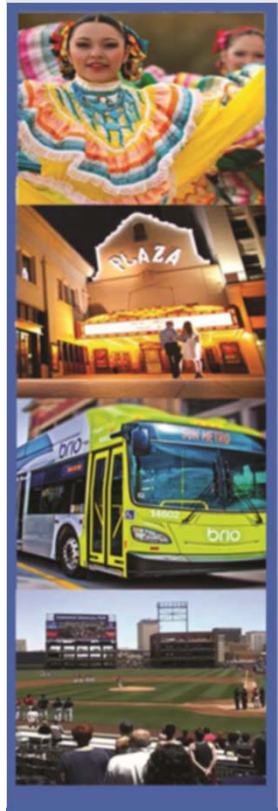
	Valuation ¹	Taxable Value ²	Tax Rate	Property Tax Levy	Variance
FY 2016 Adopted	\$100,000	\$60,000	0.729725	\$437.84	
FY 2017 Proposed	\$100,000	\$60,000	0.768310	\$460.99	\$23.15/yr. ³ \$1.93/mo.
FY 2017 Effective	\$100,000	\$60,000	0.738042	\$442.83	\$4.99/yr. \$0.42/mo.

¹ After \$5,000 homestead exemption

² After \$40,000 Over 65 or Disability Exemption

³ Breakdown = \$9.70 Increase for O & M (Fire Collective Bargaining & QoL operating and \$13.45 Increase for Debt (QoL and Streets)

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Questions

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