



**Special Called
City Council Meeting
August 30, 2016**



City of Robinson

111 W. Lyndale, Robinson, TX 76706-5619

Phone (254) 662-1415 ❖ Fax (254) 662-1035

SPECIAL CALLED MEETING PUBLIC NOTICE

THE ROBINSON CITY COUNCIL WILL MEET ON TUESDAY, AUGUST 30, 2016, AT 6:00 P.M. IN THE COUNCIL ROOM AT ROBINSON CITY HALL, 111 WEST LYNDALE, ROBINSON, TEXAS TO CONSIDER AND ACT ON THE ITEMS ON THE FOLLOWING AGENDA.

1. Call to order.
2. Invocation.
3. Roll call.
4. **PUBLIC HEARING:** Conduct the first of two public hearings to receive comments on the proposed tax rate of \$0.499500 cents per \$100 valuation for fiscal year 2017 (2016 tax year), and announce meeting to adopt the proposed tax rate on September 13, 2016.
5. Adjourn.

**The Governing Body reserves the right to go into Executive Session on any of the above items as provided by Government Code Chapter 551.*

**Public Hearings will be held in accordance with procedures set forth in Resolution R-95-011, adopted by the City Council on June 13, 1995.*

Note: Persons with disabilities who plan to attend this meeting and who need auxiliary aids or services should contact Jana Lewellen, City Secretary at 254-662-1415 at least twenty-four (24) hours before this meeting so that appropriate arrangements can be made.



COUNCIL AGENDA ITEM MEMORANDUM

Date Submitted: 08/26/2016

Meeting Date: 08/30/2016

Item #3

CALL TO ORDER:

INVOCATION:

ROLL CALL:

	PRESENT	ABSENT
ROGERS	_____	_____
STIVENER	_____	_____
LEUSCHNER	_____	_____
ECHTERLING	_____	_____
MASTERGEORGE	_____	_____
JANICS	_____	_____
BAKER	_____	_____



COUNCIL AGENDA ITEM MEMORANDUM

Date Submitted: 08/26/2016

Meeting Date: 08/30/2016

Agenda Item #4

DEPT./DIVISION SUBMISSION & REVIEW:

Craig Lemin, City Manager

ITEM DESCRIPTION: **PUBLIC HEARING:** Conduct the first of two public hearings to receive comments on the proposed tax rate of \$0.499500 cents per \$100 valuation for fiscal year 2017 (2016 tax year), and announce meeting to adopt the proposed tax rate on September 13, 2016.

STAFF RECOMMENDATION: Conduct Public Hearing, and receive comments on the proposed tax rate.

ITEM SUMMARY: The State's truth-in-taxation statutes specify that a proposed ad valorem tax rate which exceeds the lower of the effective rate or the rollback rate requires additional steps before the rate may be adopted. Although the proposed tax rate of \$0.499500 is less than the current year, anything above the effective rate of \$0.468849 is considered a "tax increase". This public hearing is the first of two required by State Law. The second public hearing is scheduled for September 6, 2016.

ATTACHMENTS:

Governing Body Summary

Rate Adoption Worksheet

Tax Rate Worksheets

Tax Data

2016 Governing Body Summary #1A*

Benchmark 2016 Tax Rates

Robinson

Date: 08/25/2016 10:08 AM

DESCRIPTION OF TAX RATE	TAX RATE PER \$100	THIS YEAR'S TAX LEVY**	ADDITIONAL TAX LEVY
Effective Tax Rate	\$0.468849	\$3,445,502	
One Percent \$100 Tax Increase***	\$0.473537	\$3,479,954	\$34,452
One Cent per \$100 Tax Increase***	\$0.478849	\$3,518,991	\$73,489
Notice & Hearing Limit****	\$0.468849	\$3,445,502	\$0
Rollback Tax Rate	\$0.503473	\$3,699,949	\$254,447
Last Year's Tax Rate	\$0.505321	\$3,713,530	\$268,028
Proposed Tax Rate	\$0.499500	\$3,670,752	\$225,250

*These figures are provided as estimates of possible outcomes resulting from varying the tax rate. Please be aware that these are only estimates and should not be used alone in making budgetary decisions.

**Tax levies are calculated using line 19 of the Effective Tax Rate Worksheet and this year's frozen tax levy on homesteads of the elderly or disabled.

***Tax increase compared to effective tax rate.

****The Notice and Hearing Limit is the highest tax rate that may be adopted without notices and a public hearing. It is the lower of the rollback tax rate or the effective tax rate.

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
Robinson

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 6 of the Effective Tax Rate Worksheet.	\$672,413,987
2. Last year's M&O tax rate. Enter Line 26 of the Rollback Tax Rate Worksheet.	\$0.371895/\$100
3. M&O taxes refunded for years preceding tax year 2015. Enter Line 28E of the Rollback Tax Rate Worksheet.	\$1,184
4. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	\$2,501,857
5. This year's total taxable value. Enter line 19 of the Effective Tax Rate Worksheet.	\$734,885,292
6. This year's proposed M&O tax rate Enter the proposed M&O tax rate approved by the Governing Body.	\$0.374555/\$100
7. This year's M&O tax levy. Multiply line 5 times line 6 and divide by 100.	\$2,752,550
8. M&O Tax Increase (Decrease). Subtract line 4 from line 7.	\$250,693
Comparison of Total Tax Rates	
9. Effective Total Tax Rate.	\$0.468849/\$100
10. This year's proposed total tax rate.	\$0.499500/\$100
11. This year's rate minus effective rate. Subtract line 9 from line 10.	\$0.030651
12. Percentage change in total tax rate. Divide Line 11 by line 9.	6.54%
Comparison of M&O Tax Rates	
13. Effective M&O Tax Rate. Enter line 30 of the Rollback Tax Rate Worksheet. Adjust for Sales Tax using Line 44 of the Sales Tax Worksheet, if necessary.	\$0.346143/\$100
14. This year's proposed M&O tax rate.	\$0.374555/\$100
15. This year's rate minus effective rate. Subtract line 13 from line 14.	\$0.028412
16. Percentage change in M&O tax rate. Divide line 15 by line 13.	8.21%
Raised M&O Taxes on a \$100,000 Home	
17. This year's taxable value on a \$100,000 home.	\$100,000
18. Last year's M&O tax rate.	\$0.371895/\$100
19. This year's proposed M&O tax rate.	\$0.374555/\$100
20. This year's raised M&O taxes. Subtract line 18 from line 19 and multiply result by line 17.	\$2.66

2016 Effective Tax Rate Worksheet

Robinson

Date: 08/25/2016 10:08 AM

1. 2015 total taxable value. Enter the amount of 2015 taxable value on the 2015 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 14). ¹	\$672,215,116
2. 2015 tax ceilings. Counties, cities and junior college districts. Enter 2015 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2015 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3. Preliminary 2015 adjusted taxable value. Subtract Line 2 from Line 1.	\$672,215,116
4. 2015 total adopted tax rate.	\$0.505321/\$100
5. 2015 taxable value lost because court appeals of ARB decisions reduced 2015 appraised value. A. Original 2015 ARB Values.	\$1,186,871
B. 2015 values resulting from final court decisions.	\$988,000
C. 2015 value loss. Subtract B from A. ³	\$198,871
6. 2015 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 5C.	\$672,413,987
7. 2015 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2015. Enter the 2015 value of property in deannexed territory. ⁴	\$0
8. 2015 taxable value lost because property first qualified for an exemption in 2016. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost to freeport or goods-in-transit exemptions.	
A. Absolute exemptions. Use 2015 market value:	\$1,571,440
B. Partial exemptions. 2016 exemption amount or 2016 percentage exemption times 2015 value:	\$1,671,191
C. Value loss. Add A and B. ⁵	\$3,242,631
9. 2015 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2016. Use only properties that qualified in 2016 for the first time; do not use properties that qualified in 2015.	
A. 2015 market value:	\$81,024
B. 2016 productivity or special appraised value:	\$1,820

C. Value loss. Subtract B from A. ⁶	\$79,204
10. Total adjustments for lost value. Add lines 7, 8C and 9C.	\$3,321,835
11. 2015 adjusted taxable value. Subtract Line 10 from Line 6.	\$669,092,152
12. Adjusted 2015 taxes. Multiply Line 4 by Line 11 and divide by \$100.	\$3,381,063
13. Taxes refunded for years preceding tax year 2015. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2015. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2015. This line applies only to tax years preceding tax year 2015. ⁷	\$1,609
14. Taxes in tax increment financing (TIF) for tax year 2015. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2016 captured appraised value in Line 16D, enter 0. ⁸	\$0
15. Adjusted 2015 taxes with refunds and TIF adjustment. Add Lines 12 and 13, subtract Line 14. ⁹	\$3,382,672
16. Total 2016 taxable value on the 2016 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 18). These homesteads include homeowners age 65 or older or disabled. ¹⁰	
A. Certified values:	\$734,885,292
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property:	\$0
D. Tax increment financing: Deduct the 2016 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2016 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 21 below. ¹¹	\$0
E. Total 2016 value. Add A and B, then subtract C and D.	\$734,885,292
17. Total value of properties under protest or not included on certified appraisal roll. ¹²	
A. 2016 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value. ¹³	\$0
B. 2016 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. ¹⁴	\$0

C. Total value under protest or not certified: Add A and B.	\$0
18. 2016 tax ceilings. Counties, cities and junior colleges enter 2016 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2015 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$0
19. 2016 total taxable value. Add Lines 16E and 17C. Subtract Line 18.	\$734,885,292
20. Total 2016 taxable value of properties in territory annexed after Jan. 1, 2015. Include both real and personal property. Enter the 2016 value of property in territory annexed. ¹⁶	\$0
21. Total 2016 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2015. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2015, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2016. ¹⁷	\$13,402,020
22. Total adjustments to the 2016 taxable value. Add Lines 20 and 21.	\$13,402,020
23. 2016 adjusted taxable value. Subtract Line 22 from Line 19.	\$721,483,272
24. 2016 effective tax rate. Divide Line 15 by Line 23 and multiply by \$100. ¹⁸	\$0.468849/\$100
25. COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2016 county effective tax rate. ¹⁹	

A county, city or hospital district that adopted the additional sales tax in November 2015 or in May 2016 must adjust its effective tax rate. The Additional Sales Tax Rate Worksheet sets out this adjustment. Do not forget to complete the Additional Sales Tax Rate Worksheet if the taxing unit adopted the additional sales tax on these dates.

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(15)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.03(c)

⁹Tex. Tax Code Section 26.012(13)

¹⁰Tex. Tax Code Section 26.012(15)

¹¹Tex. Tax Code Section 26.03(c)

¹²Tex. Tax Code Section 26.01(c)

¹³Tex. Tax Code Section 26.04 and 26.041

¹⁴Tex. Tax Code Section 26.04 and 26.041

¹⁵Tex. Tax Code Section 26.012(6)

¹⁶Tex. Tax Code Section 26.012(17)

¹⁷Tex. Tax Code Section 26.012(17)

¹⁸Tex. Tax Code Section 26.04(c)

¹⁹Tex. Tax Code Section 26.04(d)

2016 Rollback Tax Rate Worksheet

Robinson

Date: 08/25/2016

26. 2015 maintenance and operations (M&O) tax rate.	\$0.371895/\$100
27. 2015 adjusted taxable value. Enter the amount from Line 11.	\$669,092,152
28. 2015 M&O taxes.	
A. Multiply Line 26 by Line 27 and divide by \$100.	\$2,488,320
B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2015. Enter amount from full year's sales tax revenue spent for M&O in 2015 fiscal year, if any. Other taxing units enter 0. Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$431,204
C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other taxing units enter 0.	\$0
D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in H below. The taxing unit receiving the function will add this amount in H below. Other taxing units enter 0.	\$0
E. Taxes refunded for years preceding tax year 2015: Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2015. This line applies only to tax years preceding tax year 2015.	\$1,184
F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance.	\$0
G. Taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2016 captured appraised value in Line 16D, enter 0.	\$0
H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$2,920,708
29. 2016 adjusted taxable value. Enter Line 23 from the Effective Tax Rate Worksheet.	\$721,483,272
30. 2016 effective maintenance and operations rate. Divide Line 28H by Line 29 and multiply by \$100.	\$0.404820/\$100
31. 2016 rollback maintenance and operation rate. Multiply Line 30 by 1.08.	\$0.437205/\$100

<p>32. Total 2016 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that:</p> <ul style="list-style-type: none"> (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses. <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. List the debt in Schedule B: Debt Service.</p> <p>B. Subtract unencumbered fund amount used to reduce total debt.</p> <p>C. Subtract amount paid from other resources.</p> <p>D. Adjusted debt. Subtract B and C from A.</p>	<p>\$925,706</p> <p>\$0</p> <p>\$7,500</p> <p>\$918,206</p>
33. Certified 2015 excess debt collections. Enter the amount certified by the collector.	\$0
34. Adjusted 2016 debt. Subtract Line 33 from Line 32D.	\$918,206
35. Certified 2016 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.00%
36. 2016 debt adjusted for collections. Divide Line 34 by Line 35	\$918,206
37. 2016 total taxable value. Enter the amount on Line 19.	\$734,885,292
38. 2016 debt tax rate. Divide Line 36 by Line 37 and multiply by \$100.	\$0.124945/\$100
39. 2016 rollback tax rate. Add Lines 31 and 38.	\$0.562150/\$100
40. COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2016 county rollback tax rate.	

A taxing unit that adopted the additional sales tax must complete the lines for the Additional Sales Tax Rate. A taxing unit seeking additional rollback protection for pollution control expenses completes the Additional Rollback Protection for Pollution Control.

2016 Additional Sales Tax Rate Worksheet

Robinson

Date: 08/25/2016

41. Taxable Sales. For taxing units that adopted the sales tax in November 2015 or May 2016, enter the Comptroller's estimate of taxable sales for the previous four quarters. ¹ Taxing units that adopted the sales tax before November 2015, skip this line.	\$0
42. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ² Taxing units that adopted the sales tax in November 2015 or in May 2016. Multiply the amount on Line 41 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³ - or - Taxing units that adopted the sales tax before November 2015. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$431,204
43. 2016 total taxable value. Enter the amount from Line 37 of the Rollback Tax Rate Worksheet.	\$734,885,292
44. Sales tax adjustment rate. Divide Line 42 by Line 43 and multiply by \$100.	\$0.058677/\$100
45. 2016 effective tax rate, unadjusted for sales tax. Enter the rate from Line 24 or 25, as applicable, on the Effective Tax Rate Worksheet.	\$0.468849/\$100
46. 2016 effective tax rate, adjusted for sales tax. ⁴ Taxing units that adopted the sales tax in November 2015 or in May 2016. Subtract Line 44 from Line 45. Skip to Line 47 if you adopted the additional sales tax before November 2015.	\$0.468849/\$100
47. 2016 rollback tax rate, unadjusted for sales tax. ⁵ Enter the rate from Line 39 or 40, as applicable, of the Rollback Tax Rate Worksheet.	\$0.562150/\$100
48. 2016 rollback tax rate, adjusted for sales tax. Subtract Line 44 from Line 47.	\$0.503473/\$100

¹Tex. Tax Code Section 26.041(d)

²Tex. Tax Code Section 26.041(i)

³Tex. Tax Code Section 26.041(d)

⁴Tex. Tax Code Section 26.04(c)

⁵Tex. Tax Code Section 26.04(c)

Property Tax Information

TAXABLE VALUE

TAX VALUE	2015 Actual	2016 Proposed
NET TAXABLE VALUE	673,460,422	734,885,292
New Construction Included	14,705,306	13,402,020

PROPERTY TAX CALCULATION

TOTAL TAXABLE VALUE		673,460,422	734,885,292
Proposed Tax Rate	x	0.505321	0.499500
Tax Levy		3,403,137	3,670,752
Collection Rate	x	1.0000	1.0000
NET COLLECTIONS		3,403,137	3,670,752
Collections from New Constr.		74,309	66,943
Increase (Decrease) from Previous Year			267,615

PROPERTY TAX ALLOCATIONS

TOTAL 2016 TAX RATE	O & M LEVY	DEBT SERVICE LEVY	TOTAL LEVY
\$0.499500	2,752,550	918,202	3,670,752
	@	@	@
	0.374555	0.124945	0.499500
		Effective Tax Rate	0.468849
		Amt. Over (Under) Effective Rate	0.030651
		Rollback Tax Rate	0.503473
		Amt. Over (Under) Rollback Rate	

Note: The City Charter of the City of Robinson does not provide for a debt limit. Under provisions of state law, the maximum tax rate is limited to \$2.50 per \$100 assessed valuation.

Tax Rate Limit	\$	2.5000
Proposed Tax Rate	\$	0.4995
Available Tax Rate	\$	2.0005