



**Special Called
City Council Meeting
August 21, 2018**



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 21, 2018 AT 6:00 P.M. IN THE COUNCIL ROOM AT ROBINSON CITY HALL, 111 WEST LYNDAL, 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 \$0.484500 cents per \$100 valuation for fiscal year 2019 (2018 tax year), and announce meeting to adopt the proposed tax rate on August 30, 2018.
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 the City Secretary at 254-662-1415 at least twenty-four (24) hours before this meeting so that appropriate arrangements can be made.

Special Called City Council Meeting Agenda

August 21, 2018

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COUNCIL AGENDA ITEM MEMORANDUM

Date Submitted: 08/09/2018

Meeting Date: 08/21/2018

Item #3

CALL TO ORDER:

INVOCATION:

ROLL CALL:

	PRESENT	ABSENT
ROGERS	_____	_____
STIVENER	_____	_____
LANE	_____	_____
ECHTERLING	_____	_____
MASTERGEORGE	_____	_____
JANICS	_____	_____
TINDELL	_____	_____



COUNCIL AGENDA ITEM MEMORANDUM

Date Submitted: 08/09/2018

Meeting Date: 08/21/2018

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 \$0.484500 cents per \$100 valuation for fiscal year 2019 (2018 tax year), and announce meeting to adopt the proposed tax rate on August 30, 2018.

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 \$0.484500 is less than the current year, anything above the effective rate of \$0.456549 is considered a "tax increase". The proposed rate is below the rollback rate of 0.488788. This public hearing is the first of two required by State Law. The second public hearing is scheduled for August 27, 2018.

ATTACHMENTS:

Tax Rate Worksheets

Tax Data

2018 Tax Rate Calculation Worksheet

Date: 07/25/2018 01:05 PM

Taxing Units Other Than School Districts or Water Districts

City of Robinson

Taxing Unit Name

Phone (area code and number)

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the effective tax rate and rollback tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest.

School districts do not use this form, but instead use Comptroller Form 50-859 Tax Rate Calculation Worksheet for School Districts.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 Water District Rollback Tax Rate Worksheet.

This worksheet is provided to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: Effective Tax Rate (No New Taxes)

The effective tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the effective tax rate should decrease.

The effective tax rate for a county is the sum of the effective tax rates calculated for each type of tax the county levies.

Effective Tax Rate Activity	Amount/Rate
1. 2017 total taxable value. Enter the amount of 2017 taxable value on the 2017 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	\$784,639,948
2. 2017 tax ceilings. Counties, cities and junior college districts. Enter 2017 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 unit adopted the tax ceiling provision in 2017 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3. Preliminary 2017 adjusted taxable value. Subtract Line 2 from Line 1.	\$784,639,948
4. 2017 total adopted tax rate.	\$0.494500/\$100
5. 2017 taxable value lost because court appeals of ARB decisions reduced 2017 appraised value.	
A. Original 2017 ARB Values.	\$1,850,000
B. 2017 values resulting from final court decisions.	\$1,639,568
C. 2017 value loss. Subtract B from A. ³	\$210,432
6. 2017 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 5C.	\$784,850,380
7. 2017 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2017. Enter the 2017 value of property in deannexed territory. ⁴	\$0
8. 2017 taxable value lost because property first qualified for an exemption in 2018. 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 2017 market value:	\$249,500
B. Partial exemptions. 2018 exemption amount or 2018 percentage exemption times 2017 value:	\$1,312,070
C. Value loss. Add A and B. ⁵	\$1,561,570
9. 2017 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 2018. Use only properties that qualified in 2018 for the first time; do not use properties that qualified in 2017.	
A. 2017 market value:	\$0
B. 2018 productivity or special appraised value:	\$0
C. Value loss. Subtract B from A. ⁶	\$0
10. Total adjustments for lost value. Add lines 7, 8C and 9C.	\$1,561,570
11. 2017 adjusted taxable value. Subtract Line 10 from Line 6.	\$783,288,810
12. Adjusted 2017 taxes. Multiply Line 4 by Line 11 and divide by \$100.	\$3,873,363
13. Taxes refunded for years preceding tax year 2017. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2017. 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 2017. This line applies only to tax years preceding tax year 2017. ⁷	\$5,391
14. Taxes in tax increment financing (TIF) for tax year 2017. 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 2018 captured appraised value in Line 16D, enter 0. ⁸	\$0
15. Adjusted 2017 taxes with refunds and TIF adjustment. Add Lines 12 and 13, subtract Line 14. ⁹	\$3,878,754
16. Total 2018 taxable value on the 2018 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:	\$859,828,902
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. Pollution control and energy storage system exemption : Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:	\$0
D. Tax increment financing: Deduct the 2018 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2018 taxes will be deposited	\$0

into the tax increment fund. Do not include any new property value that will be included in Line 21 below. ¹¹	
E. Total 2018 value. Add A and B, then subtract C and D.	\$859,828,902
17. Total value of properties under protest or not included on certified appraisal roll. ¹²	
A. 2018 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	\$4,099,487
B. 2018 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.	\$4,099,487
18. 2018 tax ceilings. Counties, cities and junior colleges enter 2018 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 2017 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$0
19. 2018 total taxable value. Add Lines 16E and 17C. Subtract Line 18.	\$863,928,389
20. Total 2018 taxable value of properties in territory annexed after Jan. 1, 2017. Include both real and personal property. Enter the 2018 value of property in territory annexed. ¹⁶	\$0
21. Total 2018 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2017. 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, 2017, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2018. ¹⁷	\$14,347,610
22. Total adjustments to the 2018 taxable value. Add Lines 20 and 21.	\$14,347,610
23. 2018 adjusted taxable value. Subtract Line 22 from Line 19.	\$849,580,779
24. 2018 effective tax rate. Divide Line 15 by Line 23 and multiply by \$100. ¹⁸	\$0.456549/\$100
25. COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2018 county effective tax rate. ¹⁹	

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)

⁹Tex. Tax Code Section 26.012(13)

¹⁰Tex. Tax Code Section 26.012

¹¹Tex. Tax Code Section 26.03(c)

¹²Tex. Tax Code Section 26.01(c) and (d)

¹³Tex. Tax Code Section 26.01(c)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.03(c)

¹⁴Tex. Tax Code Section 26.01(d)

¹⁵Tex. Tax Code Section 26.012(6)

¹⁶Tex. Tax Code Section 26.012(17)

SECTION 2: Rollback Tax Rate

The rollback tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O):** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus eight percent. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt:** The debt tax rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The rollback tax rate for a county is the sum of the rollback tax rates calculated for each type of tax the county levies. In most cases the rollback tax rate exceeds the effective tax rate, but occasionally decreases in a taxing unit's debt service will cause the effective tax rate to be higher than the rollback tax rate.

Rollback Tax Rate Activity	Amount/Rate
26. 2017 maintenance and operations (M&O) tax rate.	\$0.373387/\$100
27. 2017 adjusted taxable value. Enter the amount from Line 11.	\$783,288,810
28. 2017 M&O taxes.	
A. Multiply Line 26 by Line 27 and divide by \$100.	\$2,924,698
B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2017. Enter amount from full year's sales tax revenue spent for M&O in 2017 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.	\$491,248
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 2017: 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 2017. This line applies only to tax years preceding tax year 2017.	\$4,071
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 2018 captured appraised value in Line 16D, enter 0.	\$0
H. Adjusted M&O Taxes. Add A, B, C, E and F. For taxing unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$3,420,017

29. 2018 adjusted taxable value. Enter Line 23 from the Effective Tax Rate Worksheet.	\$849,580,779
30. 2018 effective maintenance and operations rate. Divide Line 28H by Line 29 and multiply by \$100.	\$0.402553/\$100
31. 2018 rollback maintenance and operation rate. Multiply Line 30 by 1.08.	\$0.434757/\$100
<p>32. Total 2018 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. Enter debt amount.</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>\$966,050</p> <p>\$8,000</p> <p>\$0</p> <p>\$958,050</p>
33. Certified 2017 excess debt collections. Enter the amount certified by the collector.	\$0
34. Adjusted 2018 debt. Subtract Line 33 from Line 32D.	\$958,050
35. Certified 2018 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.00%
36. 2018 debt adjusted for collections. Divide Line 34 by Line 35	\$958,050
37. 2018 total taxable value. Enter the amount on Line 19.	\$863,928,389
38. 2018 debt tax rate. Divide Line 36 by Line 37 and multiply by \$100.	\$0.110894/\$100
39. 2018 rollback tax rate. Add Lines 31 and 38.	\$0.545651/\$100
40. COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2018 county rollback tax rate.	

SECTION 3: Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its effective and rollback tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its effective tax rate and/or rollback tax rate because it adopted the additional sales tax.

Activity	Amount/Rate
<p>41. Taxable Sales. For taxing units that adopted the sales tax in November 2017 or May 2018, enter the Comptroller's estimate of taxable sales for the previous four quarters.²⁰ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2017, skip this line.</p>	\$0
<p>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.²¹</p> <p>Taxing units that adopted the sales tax in November 2017 or in May 2018. Multiply the amount on Line 41 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95.²²</p> <p style="text-align: center;">- or -</p> <p>Taxing units that adopted the sales tax before November 2017. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.</p>	\$491,248
<p>43. 2018 total taxable value. Enter the amount from Line 37 of the Rollback Tax Rate Worksheet.</p>	\$863,928,389
<p>44. Sales tax adjustment rate. Divide Line 42 by Line 43 and multiply by \$100.</p>	\$0.056863/\$100
<p>45. 2018 effective tax rate, unadjusted for sales tax.²³ Enter the rate from Line 24 or 25, as applicable, on the Effective Tax Rate Worksheet.</p>	\$0.456549/\$100
<p>46. 2018 effective tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2017 or in May 2018. Subtract Line 44 from Line 45. Skip to Line 47 if you adopted the additional sales tax before November 2017.</p>	\$0.456549/\$100
<p>47. 2018 rollback tax rate, unadjusted for sales tax.²⁴ Enter the rate from Line 39 or 40, as applicable, of the Rollback Tax Rate Worksheet.</p>	\$0.545651/\$100
<p>48. 2018 rollback tax rate, adjusted for sales tax. Subtract Line 44 from Line 47.</p>	\$0.488788/\$100

¹⁷Tex. Tax Code Section 26.012(17)

¹⁸Tex. Tax Code Section 26.04(c)

¹⁹Tex. Tax Code Section 26.04(d)

²⁰Tex. Tax Code Section 26.041(d)

²¹Tex. Tax Code Section 26.041(i)

²²Tex. Tax Code Section 26.041(d)

²³Tex. Tax Code Section 26.04(c)

²⁴Tex. Tax Code Section 26.04(c)

SECTION 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Additional Rollback Protection for Pollution Control Activity	Amount/Rate
49. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ²⁵ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ²⁶	\$0
50. 2018 total taxable value. Enter the amount from Line 37 of the Rollback Tax Rate Worksheet.	\$863,928,389
51. Additional rate for pollution control. Divide Line 49 by Line 50 and multiply by \$100.	\$0/\$100
52. 2018 rollback tax rate, adjusted for pollution control. Add Line 51 to one of the following lines (as applicable): Line 39, Line 40 (counties) or Line 48 (taxing units with the additional sales tax).	\$0.488788/\$100

SECTION 5: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

Effective tax rate (Line 24; line 25 for counties; or line 46 if adjusted for sales tax)	\$0.456549
Rollback tax rate (Line 39; line 40 for counties; or line 48 if adjusted for sales tax)	\$0.488788
Rollback tax rate adjusted for pollution control (Line 52)	\$0.488788

SECTION 6: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the taxing unit.

print here

Printed Name of Taxing Unit Representative

sign here _____

Taxing Unit Representative

_____ Date

²⁵Tex. Tax Code Section 26.045(d)

²⁶Tex. Tax Code Section 26.045(i)

<u>TAXABLE VALUE</u>	2017 Actual	2018 Proposed
APPRAISED VALUE	871,832,141	971,813,329
TAXABLE VALUE	786,284,496	864,871,756
New Construction Included	11,518,520	14,347,610
 <u>PROPERTY TAX CALCULATION</u>		
TOTAL TAXABLE VALUE	786,284,496	863,928,389
Proposed Tax Rate	x <u>0.494500</u>	<u>0.484500</u>
Tax Levy	3,888,177	4,185,733
Collection Rate	x <u>1.0000</u>	<u>1.0000</u>
NET COLLECTIONS	3,888,177	4,185,733
Collections from New Constr.	56,959	69,514
Increase (Decrease) from Previous Year		297,556

PROPERTY TAX ALLOCATIONS

TOTAL 2017 TAX RATE	O& M LEVY	DEBT SERVICE LEVY	TOTAL LEVY
\$0.494500	3,227,683	958,050	4,185,733
	@	@	@
	0.373605	0.110895	0.484500
		Effective Tax Rate	0.456549
		Amt. Over (Under) Effective Rate	0.027951
		Rollback Tax Rate	0.488788
		Amt. Over (Under) Rollback Rate	(0.0043)

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	\$	<u>0.4845</u>
Available Tax Rate	\$	2.0155