

Exhibit 1

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, LEVYING THE AD VALOREM PROPERTY TAX OF THE CITY OF DENTON, TEXAS, FOR THE YEAR 2014, ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY ON JANUARY 1, 2014, AND ADOPTING A TAX RATE OF \$0.689750 PER \$100 OF VALUATION FOR 2014; PROVIDING REVENUES FOR PAYMENT OF CURRENT MUNICIPAL MAINTENANCE AND OPERATION EXPENSES AND FOR PAYMENT OF INTEREST AND PRINCIPAL ON OUTSTANDING CITY OF DENTON DEBT; PROVIDING FOR LIMITED EXEMPTIONS OF CERTAIN HOMESTEADS; PROVIDING FOR ENFORCEMENT OF COLLECTIONS; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, after notice of the proposed tax rate and public hearing on the budget were published in the Denton Record Chronicle and posted on the City's internet web site and its public access television channel as required by law, on August 19, 2014, the City Council of the City of Denton, Texas, (City) held one public hearing on the proposed budget. This budget will raise more from property taxes than last year's budget by an amount of \$5,641,834 which is an 11.72 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,292,895; and

WHEREAS, this Ordinance sets a tax rate of \$0.689750 that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the City that exceeds the amount of taxes imposed for that purpose in 2013; and

WHEREAS, the City Council deems it in the public interest to adopt a tax rate for the 2014 tax year of \$0.689750; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings set forth in the preamble of this Ordinance are incorporated by reference into the body of this Ordinance as if fully set forth herein.

SECTION 2. By authority of the Charter of the City of Denton, Texas, and the Laws of the State of Texas, there is hereby levied and adopted for the tax year 2014, on all taxable property situated within the corporate limits of the City of Denton, Texas, on January 1, 2014, a tax rate of \$0.689750 for each \$100 of taxable value. This tax rate is expected to increase total revenue from properties on the tax roll by 11.72% over 2013 tax revenues.

SECTION 3. Of the total tax rate, \$0.481190 for each \$100 of taxable value is hereby included, adopted and shall be distributed to the General Fund of the City to fund maintenance and operation expenditures of the City in accordance with Section 26.05(a)(2) of the Texas Property Tax Code and any other applicable laws.

SECTION 4. Of the total tax rate, \$0.208560 for each \$100 of taxable value is hereby included, adopted and shall be distributed to pay the City's debt service as provided by Sections 26.04(e)(3)(C) and 26.05(a)(1) of the Texas Property Tax Code and any other applicable laws.

SECTION 5. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

SECTION 6. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.77 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$49.75.

SECTION 7. The City Manager, or his designee, is directed to include the following statement on the home page of the City's Internet website: **THE CITY OF DENTON, TEXAS, ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE AND THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.77 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$49.75.**

SECTION 8. This budget will raise more revenue from property taxes than last year's budget by an amount of \$5,641,834 which is an 11.72 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,292,895.

SECTION 9. Pursuant to Article 8, Section 1-b of the Texas Constitution, and pursuant to the provisions of Section 11.13(n) of the Texas Property Tax Code, one-half percent of the assessed value of residential homesteads, or \$5,000 of the assessed value of residential homesteads, whichever amount shall be greater, shall be exempt from City ad valorem taxes.

SECTION 10. Pursuant to Article 8, Section 1-b of the Texas Constitution, \$50,000 of the assessed value of residential homesteads of persons 65 years of age or older shall be exempt from City ad valorem taxes for 2014.

SECTION 11. Pursuant to Article 8, Section 1-b of the Texas Constitution, \$10,000 of the assessed value of residential homesteads of disabled persons shall be exempt from City ad valorem taxes.

SECTION 12. For enforcement of the collection of taxes hereby levied the City of Denton shall have available all rights and remedies provided by law.

SECTION 13. If any section, subsection, paragraph, sentence, clause, phrase or word in this Ordinance, or the application thereof to any person or circumstance is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 14. This Ordinance shall become effective immediately upon its passage and approval at a regular meeting of the City Council of the City of Denton, Texas, on this the 16th day of September 2014, at which meeting a quorum was present and the meeting was held in accordance

with the provisions of the Tex. Gov't Code, Section 551.001 et seq. The City Secretary is hereby directed to record this Ordinance and the vote to adopt the tax rate.

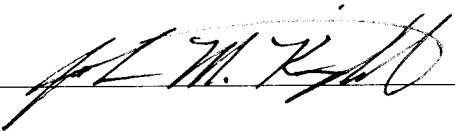
PASSED AND APPROVED this the _____ day of _____, 2014.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY:  _____

<u>Council Member</u>	<u>Voted For</u>	<u>Voted Against</u>
Chris Watts, Mayor	_____	_____
Kevin Roden	_____	_____
John Ryan	_____	_____
Jim Engelbrecht	_____	_____
Joey Hawkins	_____	_____
Dalton Gregory	_____	_____
Greg Johnson	_____	_____