



Legislation Details (With Text)

File #: ID 14-0476 **Version:** 1 **Name:**

Type: Ordinance

File created: 8/19/2014 **In control:** City Council

On agenda: 9/16/2014 **Final action:**

Title: Consider adoption of 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.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1 - Ordinance

Date	Ver.	Action By	Action	Result
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Agenda Information Sheet

DEPARTMENT: Finance

CM/ ACM: Bryan Langley

Date: September 16, 2014

SUBJECT

Consider adoption of 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.

BACKGROUND

The proposed tax rate of \$0.689750 per \$100 valuation is used to balance the FY 2014-15 Budget. This proposed tax rate is the same as the prior year, but is above the effective rate of \$0.639997. Of the proposed tax rate, \$0.481190 will be applied to fund operations and maintenance in the General Fund and \$0.208560 will be applied to fund tax-supported General Obligation and Certificates of Obligation debt.

State law requires specific language for the motion on the adoption of the tax rate which will exceed the effective tax rate. The motion must be made as follows: **“I move the property tax rate be increased by the**

adoption of a tax rate of \$0.689750, which is effectively a 7.77 percent increase in the tax rate.” The 7.77 percent is calculated by dividing the proposed tax rate by the effective tax rate of \$0.639997.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The FY 2014-15 Budget was submitted to the City Council on July 25, 2014. A workshop to present the details of the Budget to the City Council was conducted on July 31, 2014. The City Council also discussed the proposed budget during Work Sessions on August 5, August 12, August 19, and September 9. A Public Hearing on the Budget was held on August 19. In addition, two public hearings were held on the proposed tax rate on August 19 and September 9.

FISCAL INFORMATION

The proposed property tax rate will generate \$53,781,033 of which \$37,345,786 will be used to fund operations and maintenance in the General Fund and \$16,187,108 will be used to fund tax-supported General Obligation and Certificates of Obligation debt. In addition \$245,056 will be generated for the Downtown Tax Increment Reinvestment Zone district and \$3,083 will be generated for the Westpark Tax Increment Reinvestment Zone district.

EXHIBITS

1. Ordinance

Respectfully submitted:

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Prepared by:
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