

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

**DEPARTMENT:** Office of Management & Budget

**AGENDA DATE:** August 10, 2010

**CONTACT PERSON NAME AND PHONE NUMBER:** David Almonte, OMB Director, 541-4777

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

**APPROVE** a resolution / ordinance / lease to do what? **OR AUTHORIZE** the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Hold 1<sup>st</sup> Public Hearing on the Proposed FY2011 Property Tax Increase.

**BACKGROUND / DISCUSSION:**

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The Texas Property Tax Code 26.05(d) requires at least two public hearings before the adoption of an ordinance levying taxes, if the adopted rate exceeds the effective tax rate.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

Yes. The Public Hearing on the Ordinance Levying 2010 Taxes was held on August 11, 2009. The Ordinance levying 2011 Taxes was introduced on July 29, 2010.

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**

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**BOARD / COMMISSION ACTION:**

Enter appropriate comments or N/A

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

*Information copy to appropriate Deputy City Manager*

# AN ORDINANCE LEVYING 2011 TAXES

**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, 2010 to fund the City's budgetary requirements for the fiscal year ending August 31, 2011, be and are hereby levied on all property, real, personal, and mixed, subject to taxation by the City, at the rate of 0.6660 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, 0.4407 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 0.2253 of one percent.

SECTION 2. Occupation Tax:

There is hereby levied on every person, firm, association or corporation pursuing within the limits of the City of El Paso any occupation taxed 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 \_\_\_\_\_ day of August, 2010.

**CITY OF EL PASO**

\_\_\_\_\_  
John F. Cook, Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda D. Momsen, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Bertha A. Ontiveros  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

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William F. Studer, Jr., Deputy City Manager  
Financial Services



# **FY2011 Proposed Budget**

August 10, 2010



# 2010 Certified Values

**Received 7/26/2010**

2009 Certified Value received 7/28/2009 **29,650,666,918**

Preliminary Certified Value Estimate **30,942,375,495**

Certified Values received 7/26/2010 **29,878,024,160**

Percentage Increase from 2009	<b>0.77%</b>
Percentage Change from Preliminary	<b>-3.44%</b>

Effective Tax Rate	<b>\$0.6426/\$100</b>
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Rollback Rate	<b>\$0.6881/\$100</b>
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## Effective O&M Tax Rate

	<b>FY2011 Proposed</b>
Certified Valuation received 7/26/2010	29,878,024,160
<b>O&amp;M Requirement</b>	<b>127,997,456</b>
Debt Service Requirement	67,337,656
<b>Total Revenue Requirement</b>	<b>195,335,112</b>
O&M Tax Levy	0.4284
Debt Tax Levy	0.2253
<b>Revised Proposed Tax Rate</b>	<b>0.6537</b>
Current Tax Rate	0.6330
O&M Effective Tax Rate	0.4284
Difference between FY10 vs FY11 Debt Service Rate	0.0143

*Based on reductions of \$4,664,885 from proposed budget*



# Tax Rate Comparisons

## Average Net Taxable Home Value (after homestead exemption)

	<b>Tax Rate</b>	<b>Avg. Valuation</b>	<b>Property Tax Levy</b>	<b>Variance</b>
FY2010 Adopted	0.6330	124,087	785.47	
FY2011 Proposed Tax Rate	0.6660	123,321	821.32	35.85
FY2011 Effective O&M Rate	0.6537	123,321	806.15	20.68



# Questions & Comments

