

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

**DEPARTMENT:** City Manager's Office  
Office of Management & Budget

**AGENDA DATE:** August 20, 2013

**CONTACT PERSON NAME AND PHONE NUMBER:** Lynly G. Leeper, Chief Budget Officer  
([LeeperLG@elpasotexas.gov](mailto:LeeperLG@elpasotexas.gov)), (915) 541-4777

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Discussion and action on an Ordinance levying FY2014 taxes.

**BACKGROUND / DISCUSSION:**

The City Charter, Section 7.3F, requires City Council to pass a tax levy ordinance in accordance with the laws of Texas. This ordinance levies ad valorem taxes for fiscal year ending August 31, 2014.

**PRIOR COUNCIL ACTION:**

Yes, the Ordinance levying the 2014 taxes was introduced on July 29, 2013.

**AMOUNT AND SOURCE OF FUNDING:**

N/A

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**BOARD / COMMISSION ACTION:**

N/A

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\*\*\*\*\*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*

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE LEVYING 2014 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, 2013 to fund the City's budgetary requirements for the fiscal year ending August 31, 2014, be and are hereby levied on all property, real personal, and mixed, subject to taxation by the City, at the rate of 0.678378 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, 0.445699 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 0.232679 of one percent.

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

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.00 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.00.

SECTION 2: Occupational Tax:

There is hereby levied on every person, firm, association or corporation pursuing within the limits of the City of El Paso any occupation taxes 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, 2013.

CITY OF EL PASO

\_\_\_\_\_  
Oscar Leeser  
Mayor

ATTEST:

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Matthew K. Behrens  
Assistant City Attorney

\_\_\_\_\_  
Lynly G. Leeper, Chief Budget Officer  
City Manager's Office

ORDINANCE NO. \_\_\_\_\_  
13-1056-010/PL#171303\_3/2014 ORDINANCE LEVYING TAX/MKB



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# City of El Paso

## Appraisal Roll, Certified Collection Rate & Tax Rates for Tax Year 2013





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## Appraisal Roll

**Value (\$)**

Total Appraised Property \$39,198,536,560

Total Assessed Property \$39,165,621,719

Total Taxable Property \$32,155,164,401

Total Taxable New Property \$585,380,272

Tax Assessor Collector certified a 100% Collection Rate



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## Tax Rates

Effective Tax  
Rate

\$0.663691/\$100

Rollback Rate

\$0.714033/\$100



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## Rollback Rate

This year's rollback tax rate:

Last Year's adjusted operating taxes \$139,591,135

÷ This year's adjusted tax base \$31,319,604,479

= This year's effective operating rate **\$0.445699/\$100**

X 1.08 = This year's maximum operating rate \$0.481354/\$100

+ This year's debt rate \$0.232679/\$100

= This year's total rollback rate **\$0.714033/\$100**



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## 2013 Certified Values

Received 7/25/2013

2012 Certified Value received 7/23/2012	\$31,747,883,190
2013 Preliminary Adjusted Certified Value Estimate	\$33,686,141,078
2013 Certified Values received 7/25/2013	\$32,155,164,401
Percentage Increase from 2012	1.28%
Percentage Change from Preliminary	-4.54%



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## Property Tax Rates

FY13 Adopted Tax Rate		\$0.658404/\$100
	FY14 Proposed Tax Rate: O&M	\$0.451524/\$100
	Debt Service	\$0.232679/\$100
FY14 Proposed Tax Rate		\$0.684203/\$100
Effective Tax Rate		\$0.663691/\$100
	Difference	\$0.021
O&M Effective Tax Rate		\$0.445699/\$100
	Difference	\$0.0058



# Property Valuation Comparison

2013 <b>Preliminary</b> Certified Value Estimate	\$33,686,141,078
Less Estimated Discount	(\$1,112,736,223)
Less Downtown TIRZ & TRZ No. 2 &3 Valuation	(\$581,205,059)
Proposed Preliminary Value Estimate	\$31,992,199,796
2013 <b>Certified</b> Values received 7/25/2013	<b>\$32,155,164,401</b>
Less TIRZ & TRZ No. 2 & 3	(\$248,799,329)
Certified Value	\$31,906,365,072
Valuation Decrease	(\$85,834,724)
Impact to O & M	(\$587,284)
Loss of TIRZ/TRZ New Construction	(\$422,304)
Impact of TRZ Debt Service Payment	(\$1,350,415)



## TRZ #2 & #3 Debt Subsidy

tif_zone_code	tif_base_val	2013_taxable_val	tif_capture_val	2013_new_con	tnt_tif_capture_val
<b>Total TRZ #2</b>	1,273,057,133	1,468,974,204	195,917,071	48,717,235	147,199,836
<b>Total TRZ #3</b>	111,854,970	147,271,983	35,417,013	9,731,469	25,685,544
<b>TOTAL TRZ #2 &amp; #3</b>	<b>\$1,384,912,103</b>	<b>\$1,616,246,187</b>	<b>\$231,334,084</b>	<b>\$58,448,704</b>	<b>\$172,885,380</b>

TRZ #2	195,917,071	TIF Capture
	0.684203	Proposed Tax Rate
	<b>\$1,340,470</b>	Revenue Generated
	\$3,368,430	Debt Requirement
	<b>(\$2,027,960)</b>	TRZ #2 General Fund Subsidy
TRZ #3	35,417,013	TIF Capture
	0.684203	Proposed Tax Rate
	<b>\$242,324</b>	Revenue Generated
	\$460,188	Debt Requirement
	<b>(\$217,864)</b>	TRZ #3 General Fund Subsidy
	<b>(\$2,245,823)</b>	TRZ #2 and #3 General Fund Subsidy



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## Revisions to get to Proposed/Effective Rate

Required Reductions to get to *Proposed Rate* (\$2,360,003)

Additional Reductions to get to *Effective O & M Rate* (\$1,858,406)

Total Reductions to get to Effective O & M Rate (\$4,218,409)



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

	<b>Tax Rate</b>	<b>Avg. Valuation</b>	<b>Property Tax Levy</b>	<b>Variance</b>
FY2013 Adopted	0.658404	\$123,546	\$813.43	
FY2014 Proposed Tax Rate	0.684203	\$124,090	\$849.03	\$35.60
FY2014 Effective Tax Rate	0.663691	\$124,090	\$823.57	\$10.14

**\$100,000 Net Taxable Home Value (after homestead exemption)**

	<b>Tax Rate</b>	<b>Valuation</b>	<b>Property Tax Levy</b>	<b>Variance</b>
FY2013 Adopted	0.658404	\$100,000	\$658.40	
FY2014 Proposed Tax Rate	0.684203	\$100,000	\$684.20	\$25.80
FY2014 Effective Tax Rate	0.663691	\$100,000	\$663.69	\$5.29

**\$100,000 Net Taxable Home Value (after homestead exemption) Effective O & M**

	<b>Tax Rate</b>	<b>Valuation</b>	<b>Property Tax Levy</b>	<b>Variance</b>
FY2013 Adopted O & M Rate	0.442148	\$100,000	\$442.15	
FY2014 Proposed O & M Rate	0.452148	\$100,000	\$452.15	\$10.00
FY2014 Effective O & M Rate	0.445699	\$100,000	\$445.70	\$3.55



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# August Postings

- Tuesday, July 30<sup>th</sup> – Notice of the Effective Tax Rate
- Tuesday, July 30<sup>th</sup> – Notice of Hearings on Tax Increase
- Tuesday, August 6<sup>th</sup> – 1<sup>st</sup> Public Hearing on Tax Increase
- Wednesday, August 7<sup>th</sup> – Publish 1<sup>st</sup> Notice of Tax Revenue Increase
- Tuesday, August 13<sup>th</sup> – 2<sup>nd</sup> Public Hearing on Tax Increase
- Wednesday, August 14<sup>th</sup> – Publish 2<sup>nd</sup> Notice of Tax Revenue Increase
- Tuesday, August 20<sup>th</sup> – Council votes to adopt the budget and the Tax Levy Ordinance



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# Comments or Questions?





## Tax Rates

	Effective Rate	Proposed Rate	Scenario Rate
O & M Rate	\$0.445699	\$0.451524	\$0.445699
Debt Svc. Rate		\$0.232679	\$0.232679
Total Rate	\$0.663691	\$0.684203	\$0.678378

\*Scenario Rate = Effective O & M Rate + Proposed Debt Service Rate