



CITY OF TEXARKANA

CITY COUNCIL

AGENDA • AUGUST 29, 2016

Council Chambers

Special Meeting

6:00 PM

**220 TEXAS BLVD.
TEXARKANA, TX 75501**

Mayor

Bob Bruggeman

Ward 1

Jean H. Matlock

Ward 3

Tina Veal-Gooch

Ward 5

Christy P. Paddock

Ward 2

Willie Ray

Ward 4

Brian Matthews

Ward 6

Josh Davis



For any agenda item, the City Council reserves the right to advance the "Council Vote" date to a hearing or briefing date.

The City Council reserves the right to convene into closed session on any agenda item or issue should the need arise and if applicable pursuant to authorization by the Texas Open Meetings Act (Title 5, Chapter 551 of the Texas Government Code).

If the City Council convenes into closed session, they will reconvene in one hour or less to take any final action, decision, or vote on a matter deliberated in closed session.

I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

II. INVOCATION AND PLEDGE BY COUNCIL MEMBER DR. BRIAN MATTHEWS

III. MAYOR'S OPENING REMARKS

IV. OPEN FORUM: COMMENTS FROM THE PUBLIC (LIMIT 5 MINUTES EACH)

Items scheduled for "Public Hearing" or have been heard at a previous "Public Hearing" are not to be addressed at the "Open Forum".

Tax Rate Public Hearing #2

1. Ordinance No. 2016-095 fixing the tax rate and levy in and for the City of Texarkana, Texas, for the fiscal year ending September 30, 2017 upon all taxable property in the City of Texarkana, Texas.

Public Hearing:	August 22, 2016
Second Briefing:	August 29, 2016
Council Vote:	September 12, 2016

V. MAYOR'S CLOSING REMARKS

VI. ADJOURNMENT

Jennifer Evans, City Secretary

This open meeting of a governmental entity is subject to the Texas Open Meetings Act (Chapter 551, Government Code). The "Council Chambers" is the room or property where the City Council holds this meeting.

Pursuant to Section 46.035(c), Penal Code (unlawful carrying of handgun by license holder), a license holder commits an offense if the license holder intentionally, knowingly, or recklessly carries a handgun under the authority of Subchapter H, Chapter 411, Government Code, regardless of whether the handgun is concealed or carried in a shoulder or belt holster, in the room or rooms where a meeting of a governmental entity is held and if the meeting is an open meeting subject to Chapter 551, Government Code, and the entity provided notice as required by that chapter.

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for these services, please call 903.798.3917, Personnel or (TDD) 1.800.RELAY.TX (1.800.735.2989).

City of Texarkana, Texas

Briefing Sheet

Version:
Update Date: 8/5/2016 11:30 AM

Lead Department: Finance Department **Action Officer:** Kristin Peeples,
Ordinance No. 2016-095 fixing the tax rate and levy in and for the City of
Texarkana, Texas, for the fiscal year ending September 30, 2017 upon all
Subject: taxable property in the City of Texarkana, Texas.

Briefing: 8/29/2016 **Public** **Second** August 29, **Council**
Hearing: 8/22/2016 **Briefing:** 2016 **Vote:** 9/12/2016

Item Schedule

Schedule 1: Brief twice - vote once (six weeks)

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The annual budget for the fiscal year ending September 30, 2017 was presented to the City Council in a regular meeting on July 25, 2016. Budget open house meetings were conducted on August 1, 2016. A workshop on the budget and tax rate will be conducted on August 15, 2016. A public hearing on the tax rate will be held on August 22, 2016 and again on August 29, 2016, with a vote to adopt the budget and the tax rate for fiscal year 2017 scheduled for September 12, 2016. The tax rate necessary to fund budgeted expenditures for the fiscal year ending September 30, 2017 is anticipated to be \$.70 cents per \$100 of assessed valuation, which is increased over last year's rate of \$.669293 cents per \$100 of assessed valuation by \$.030707 cents. This increase will be used to fund pay increases recommended by an independent study performed by Pay Scale consulting of Seattle, Washington. Public posting of the proposed rate will be made in accordance with state requirements.

Potential Options:

- Adopt the rate as proposed at \$.70 cents per \$100 of assessed valuation
- Decline adoption and maintain the rate at the prior adopted amount of \$.669293 cents per \$100 of assessed valuation

Fiscal Implications:

Adoption of the proposed rate will provide funding for expenditures proposed in the annual budget for the fiscal year ending September 30, 2017.

Staff Recommendation:

Staff recommends approval of the proposed rate.

Advisory Board/Committee Review:

None

Board/Committee Recommendation:

Not Applicable

City of Texarkana, Texas

Advisory Board/Committee Meeting Date and Minutes:

Not Applicable

Attachments

- a. 2016-095 ORD adopting Tax Rate for FY 17 (DOC)
- b. 2016-095 ATTH01 FY 17 Proposed Tax Rate Presentation (PPTX)
- c. 2016-095 Goals & Perspectives (DOCX)

Staff Coordination

Finance Department	Kristin Peeples	Department Head Review	Completed	
	08/01/2016 4:56 PM			
Finance Department	Kristin Peeples	Finance Review	Completed	08/01/2016
	4:56 PM			
Assistant City Manager		Shirley Jaster	Assistant City Manager	
Review	Completed	08/02/2016 8:48 AM		
Public Information Officer		Lisa Thompson	PIO Review	Completed
	08/02/2016 8:49 AM			
City Manager	John Whitson	City Manager Review	Completed	08/02/2016
City Council	Jennifer Evans	Meeting	Completed	08/08/2016
	6:00 PM			

Meeting History

08/08/16	City Council	MOVED FORWARD	Next: 08/22/16
08/22/16	City Council	MOVED FORWARD	Next: 08/29/16

ORDINANCE NO. 2016-095

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, FIXING THE TAX RATE AND LEVY IN AND FOR THE CITY OF TEXARKANA, TEXAS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2017, UPON ALL TAXABLE PROPERTY IN THE CITY OF TEXARKANA, TEXAS, FOR THE PURPOSE OF PAYING THE CURRENT EXPENSES OF THE CITY FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016, AND ENDING SEPTEMBER 30, 2017; MAINTAINING A SINKING FUND TO RETIRE THE PRINCIPAL AND INTEREST OF THE BONDED INDEBTEDNESS AND CERTIFICATES OF OBLIGATION OF THE CITY; PROVIDING FOR THE RENDITION AND ASSESSMENT OF TAXES IN ACCORDANCE WITH THE STATE LAW; PROVIDING THAT IN THE EVENT ANY PROVISIONS OF THIS ORDINANCE BE HELD UNCONSTITUTIONAL AND INVALID SUCH HOLDING SHALL NOT AFFECT THE REMAINING PROVISIONS THEREOF IN CONFLICT HERewith; AND ESTABLISHING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:

SECTION 1: There is hereby levied for the fiscal year ending September 30, 2017, upon all real property situated within the corporate limits of said City of Texarkana, Texas, and on all personal property which was owned within the corporate limits of said City of Texarkana, Texas, on the first day of October, A.D. 2016, except so much thereof as may be exempt by the Constitution and Laws of the State of Texas, a total tax of \$.70 CENTS on each ONE HUNDRED DOLLARS (\$100.00) of assessed valuations on all of said property, which said total tax is here and now levied respectively as follows:

- a. An ad valorem tax of and at the rate of \$.498151 CENTS on each ONE HUNDRED DOLLARS (\$100.00) of assessed valuation of said taxable property is hereby levied for the fiscal year ending September 30, 2017 for the general City purposes to pay the current operating expenses of said City of Texarkana, Texas, for the fiscal year beginning on October 1, 2016, and ending September 30, 2017, which tax, when collected shall be appropriated to and deposited in and to the credit of the General Fund of said City of Texarkana, Texas. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 19.72 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000.00 HOME BY APPROXIMATELY \$-16.70.
- b. An ad valorem tax of and at the rate of \$.021517 CENTS on each ONE HUNDRED DOLLARS (\$100.00) of assessed valuation of said taxable property is hereby levied for the fiscal year ending September 30, 2017

for the operating expenses of Tax Increment Reinvestment Zone #1, for the fiscal year beginning on October 1, 2016, and ending September 30, 2017, which tax, when collected shall be appropriated to and deposited in and to the credit of the Tax Increment Reinvestment Zone #1 Fund of the City of Texarkana, Texas.

- c. An ad valorem tax of and at the rate of \$.180332 CENTS on each ONE HUNDRED DOLLARS (\$100.00) of assessed valuation of said taxable property is hereby levied for the fiscal year ending September 30, 2017, for the purpose of maintaining an Interest and Sinking Fund with which to pay the interest and retire the principal of the valid bonded and warrant indebtedness and Certificates of Obligation of the City of Texarkana, Texas, now outstanding, and such tax, when collected, shall be appropriated and deposited in and to the credit of the Interest and Sinking Fund of the said City of Texarkana, Texas.

SECTION 2: Property situated in the City of Texarkana, Texas, shall be rendered and assessed in accordance with the laws of the State of Texas, and the Charter and Ordinances of the City of Texarkana, Texas.

SECTION 3: In the event any provision of this Ordinance shall be held unconstitutional and invalid by a Court of competent jurisdiction, the same shall not affect the remaining provisions hereof.

SECTION 4: All Ordinances or parts thereof in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of such conflict.

PASSED AND APPROVED in Regular Council Session on this the 12th day of September, 2016.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

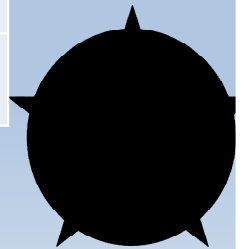


Adoption of Fiscal Year 2017 Tax Rate

▲
August 8, 2016

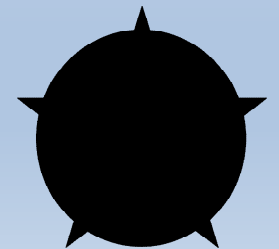
Change in Tax Rate

	<u>Current Rate</u> <u>CV</u>	<u>Proposed Rate</u> <u>CV</u>	<u>\$ Change</u>	<u>% Change</u>	<u>% Allocation</u>
Tax Rate	0.669293	0.700000	0.030707	4.59%	
General Fund	11,284,836	11,937,765	652,929		96.65%
TIRZ #1	493,018	515,638	22,620		3.35%
Debt Service	4,321,498	4,321,498	-		
Total Current Taxes	16,099,352	16,774,901	675,549		100.00%



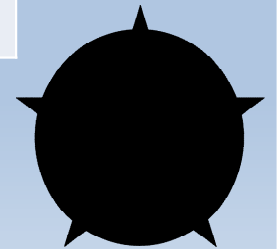
How much revenue is generated by a tax rate increase?

Revenue Generated By \$.01 Tax Rate Increase	219,999
General Fund	212,632
TIRZ 1 Fund	7,367



Tax Rate Distribution

Fund	Rate
General Fund	.498151
TIRZ 1 Fund	.021517
Debt Service Fund	.180332
Total Tax Rate	.700000



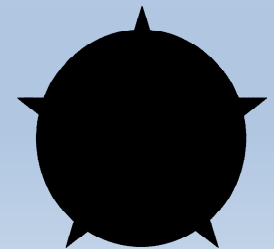
Impact to our Residents

<u>Home Value</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Annual Change</u>	<u>Monthly Change</u>
\$50,000	\$334.65	\$350.00	\$15.35	\$1.28
\$100,000	\$669.29	\$700.00	\$30.71	\$2.56
\$150,000	\$1,003.94	\$1,050.00	\$46.06	\$3.84
\$200,000	\$1,338.59	\$1,400.00	\$61.41	\$5.12
\$250,000	\$1,673.23	\$1,750.00	\$76.77	\$6.40
\$300,000	\$2,007.88	\$2,100.00	\$92.12	\$7.68
\$350,000	\$2,342.53	\$2,450.00	\$107.47	\$8.96
\$400,000	\$2,677.17	\$2,800.00	\$122.83	\$10.24
\$450,000	\$3,011.82	\$3,150.00	\$138.18	\$11.52
\$500,000	\$3,346.47	\$3,500.00	\$153.54	\$12.79
\$550,000	\$3,681.11	\$3,850.00	\$168.89	\$14.07
\$600,000	\$4,015.76	\$4,200.00	\$184.24	\$15.35
\$650,000	\$4,350.40	\$4,550.00	\$199.60	\$16.63
\$700,000	\$4,685.05	\$4,900.00	\$214.95	\$17.91
\$750,000	\$5,019.70	\$5,250.00	\$230.30	\$19.19
\$800,000	\$5,354.34	\$5,600.00	\$245.66	\$20.47
\$850,000	\$5,688.99	\$5,950.00	\$261.01	\$21.75
\$900,000	\$6,023.64	\$6,300.00	\$276.36	\$23.03
\$950,000	\$6,358.28	\$6,650.00	\$291.72	\$24.31
\$1,000,000	\$6,692.93	\$7,000.00	\$307.07	\$25.59



Legal Requirements to Adopt Tax Rate

- Ordinance is required to fix the tax rate and levy in and for the City of Texarkana, Texas for the fiscal year ending September 30, 2017
 - Ordinance No. 2016-095
- Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. This is required in addition to the vote to adopt the budget and the vote to set the tax rate.
 - Resolution 2016-096
- Must provide notice using language specified in Local Government Code Section 140.010 (e)
 - The required notice must be provided by September 1st or 30 days after each applicable certified appraisal roll is received
 - Published in newspaper or mailed to each property owner
- Two public hearings required; currently scheduled for August 22nd and August 29th



Questions and Comments

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☒ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☐ Model a Positive City Image ☒ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☒ Maintain Fiscal Strength ☒ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: High

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☒	Newspaper Notice (Required by Statute)	☒	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☒	Press Release
☐	E-News Distribution	☒	Website Notice
☒	Social Media (Twitter, Facebook, etc.)	☐	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☐	None Required	☐	

Other: