

CITY OF KYLE



Notice of Special City Council Meeting

KYLE CITY HALL
100 W. Center Street

Notice is hereby given that the governing body of the City of Kyle, Texas will meet at 7:00 PM on 8/19/2015, at Kyle City Hall, 100 W Center St., Kyle, Texas for the purpose of discussing the following agenda.

Posted this 14th day of August, 2015 prior to 7:00 p.m.

I. Call Meeting To Order

II. Citizen Comment Period With City Council

The City Council welcomes comments from Citizens early in the agenda of regular meetings. Those wishing to speak are encouraged to sign in before the meeting begins. Speakers may be provided with an opportunity to speak during this time period on any agenda item or any other matter concerning city business, and they must observe the three-minute time limit.

III. Consider and Possible Action

1. Conduct public hearing to obtain comments on the City Manager's proposal to increase the ad valorem tax rate from \$0.5383 to \$0.6145 per \$100.00 of assessed taxable valuation for Fiscal Year 2015-16. This is an increase of \$0.0762 per \$100.00 of assessed taxable valuation primarily to pay for the increase in debt service payments (principal and interest) associated with the road bonds.

- **PUBLIC HEARING**

 [Attachments](#)

IV. ADJOURN

At any time during the Regular City Council Meeting, the City Council may adjourn into an Executive Session, as needed, on any item listed on the agenda for which state law authorizes Executive Session to be held

*Per Texas Attorney General Opinion No. JC-0169; Open Meeting & Agenda Requirements, Dated January 24, 2000: The permissible responses to a general member communication at the meeting are limited by 551.042, as follows: "SEC.551.042. Inquiry Made at Meeting. (a) If, at a meeting of a government body, a member of the public or of the governmental body inquires about a subject for

which notice has not been given as required by the subchapter, the notice provisions of this subchapter, do not apply to:(1) a statement of specific factual information given in response to the inquiry; or (2) a recitation of existing policy in response to the inquiry. (b) Any deliberation of or decision about the subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.



CITY OF KYLE, TEXAS

Conduct Public Hearing on Proposed Increase in Ad Valorem Tax Rate for FY 2015-16

Meeting Date: 8/19/2015
Date time: 7:00 PM

Subject/Recommendation:

Conduct public hearing to obtain comments on the City Manager's proposal to increase the ad valorem tax rate from \$0.5383 to \$0.6145 per \$100.00 of assessed taxable valuation for Fiscal Year 2015-16. This is an increase of \$0.0762 per \$100.00 of assessed taxable valuation primarily to pay for the increase in debt service payments (principal and interest) associated with the road bonds.

- **PUBLIC HEARING**

Other Information:

The City Manager's Proposed Budget for Fiscal Year 2015-16 includes a proposal to increase ad valorem tax rate from \$0.5383 to \$0.6145 per \$100.00 of assessed taxable valuation for Fiscal Year 2015-16. This is an increase of \$0.0762 per \$100.00 of assessed taxable valuation to pay for the increase in debt service payments (principal and interest) in Fiscal Year 2015-16 associated with the road bonds.

The City Council has scheduled two Public Hearings to receive comments on the proposed property tax rates for tax year 2015 (Fiscal Year 2015-16) from Kyle residents, taxpayers, and other interested persons. The two Public Hearings will be held on the following dates and times:

- **August 19, 2015 at 7:00 p.m., at Kyle City Hall, 100 W. Center Street, Kyle, TX 78640**
- **August 26, 2015 at 7:00 p.m., at Kyle City Hall, 100 W. Center Street, Kyle, TX 78640**

The proposed property tax rates for tax year 2015 (Fiscal Year 2015-16) and the adopted property tax rates for tax year 2014 (Fiscal Year 2014-15) per \$100.00 of assessed taxable valuation are as follows:

Proposed	Adopted
<u>FY 2015-16</u>	<u>FY 2014-15</u>
Maintenance & Operations (M&O):	\$0.2603 \$0.2603
Interest & Sinking (I&S):	<u>\$0.3542</u> <u>\$0.2780</u>
Total Property Tax Rate:	<u>\$0.6145</u> <u>\$0.5383</u>

The 2015 effective and rollback property tax rates per \$100.00 of assessed taxable valuation are as follows:

Over Memo
Item # 1

- Effective Tax Rate: \$0.4870
- Rollback Tax Rate: \$0.6208

Total debt service payments due in Fiscal Year 2015-16 is \$8,294,605 for principal and interest, a net increase of \$2,275,558 or 37.8 as compared to \$6,019,046 due in the current fiscal year. The comparative annual debt service payments to be paid from the City's General Fund (tax levy) for Fiscal Year 2015-16 and Fiscal Year 2014-15 are shown below:

	Proposed	Current
	<u>FY 2015-16</u>	<u>FY 2014-15</u>
General Fund (paid from tax levy)	\$6,743,221	\$4,443,531

The Proposed Budget for Fiscal Year 2015-16 is a complete financial plan for all City Funds, programs, services, operations, and capital improvement program (CIP) activities for the period covering October 1, 2015 through September 30, 2016. The Proposed Budget for Fiscal Year 2015-2016 for all City expenditures totals approximately \$78.8 million and 202.5 full time equivalent positions. Of the total \$78.8 million Proposed Budget, the budget for the City's General Fund for Fiscal Year 2015-16 totals approximately \$22.0 million; revenues for General Fund totals approximately \$22.0 million and expenditures total approximately \$22.0 million.

Legal Notes:

Budget Information:

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

- [Notice of Public Hearings on 2015 Tax Rates](#)
 - [Tax Rate Calculation Worksheets for 2015](#)
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NOTICE OF 2015 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF KYLE

A tax rate of \$0.6145 per \$100 valuation has been proposed for adoption by the governing body of City of Kyle. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

PROPOSED TAX RATE	\$0.6145 per \$100
PRECEDING YEAR'S TAX RATE	\$0.5383 per \$100
EFFECTIVE TAX RATE	\$0.4870 per \$100
ROLLBACK TAX RATE	\$0.6208 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City of Kyle from the same properties in both the 2014 tax year and the 2015 tax year.

The rollback tax rate is the highest tax rate that City of Kyle may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Luanne Caraway
Hays County Tax Assessor-Collector
712 S. Stagecoach Trail, San Marcos, TX 78666
512-393-5545
luanne@co.hays.tx.us
www.hayscountytax.com

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: August 19, 2015 at 7:00 PM at Kyle City Hall, 100 West Center Street, Kyle, TX 78640.

Second Hearing: August 26, 2015 at 7:00 PM at Kyle City Hall, 100 West Center Street, Kyle, TX 78640.

2015 Effective Tax Rate Worksheet City of Kyle

Date: 07/31/2015 07:07 PM

<p>1. 2014 total taxable value. Enter the amount of 2014 taxable value on the 2014 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 14).¹</p>	\$1,692,487,906
<p>2. 2014 tax ceilings. Counties, cities and junior college districts. Enter 2014 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2014 or a prior year for homeowners age 65 or older or disabled, use this step.²</p>	\$0
<p>3. Preliminary 2014 adjusted taxable value. Subtract Line 2 from Line 1.</p>	\$1,692,487,906
<p>4. 2014 total adopted tax rate.</p>	\$0.5383/\$100
<p>5. 2014 taxable value lost because court appeals of ARB decisions reduced 2014 appraised value. A. Original 2014 ARB Values. B. 2014 values resulting from final court decisions. C. 2014 value loss. Subtract B from A.³</p>	<p style="text-align: right;">\$0</p> <p style="text-align: right;">\$0</p> <p style="text-align: right;">\$0</p>
<p>6. 2014 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 5C.</p>	\$1,692,487,906
<p>7. 2014 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2014. Enter the 2014 value of property in deannexed territory.⁴</p>	\$0
<p>8. 2014 taxable value lost because property first qualified for an exemption in 2015. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost to freeport or goods-in-transit exemptions. A. Absolute exemptions. Use 2014 market value: B. Partial exemptions. 2015 exemption amount or 2015 percentage exemption times 2014 value: C. Value loss. Add A and B.⁵</p>	<p style="text-align: right;">\$3,219</p> <p style="text-align: right;">\$2,579,473</p> <p style="text-align: right;">\$2,582,692</p>
<p>9. 2014 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2015. Use only properties that qualified in 2015 for the first time; do not use properties that qualified in 2014. A. 2014 market value: B. 2015 productivity or special appraised value:</p>	<p style="text-align: right;">\$0</p> <p style="text-align: right;">Item # 1 \$0</p>

C. Value loss. Subtract B from A. ⁶	\$0
10. Total adjustments for lost value. Add lines 7, 8C and 9C.	\$2,582,692
11. 2014 adjusted taxable value. Subtract Line 10 from Line 6.	\$1,689,905,214
12. Adjusted 2014 taxes. Multiply Line 4 by Line 11 and divide by \$100.	\$9,096,759
13. Taxes refunded for years preceding tax year 2014. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2014. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2014. This line applies only to tax years preceding tax year 2014. ⁷	\$1,181
14. Taxes in tax increment financing (TIF) for tax year 2014. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2015 captured appraised value in Line 16D, enter 0. ⁸	\$430,282
15. Adjusted 2014 taxes with refunds and TIF adjustment. Add Lines 12 and 13, subtract Line 14. ⁹	\$8,667,658
16. Total 2015 taxable value on the 2015 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 18). These homesteads include homeowners age 65 or older or disabled. ¹⁰	
A. Certified values:	\$1,900,035,485
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property:	\$0
D. Tax increment financing: Deduct the 2015 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2015 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 21 below. ¹¹	\$80,014,867
E. Total 2015 value. Add A and B, then subtract C and D.	\$1,820,020,618
17. Total value of properties under protest or not included on certified appraisal roll. ¹²	
A. 2015 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value. ¹³	\$83,244,286
B. 2015 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. ¹⁴	\$0
	Item # 1

C. Total value under protest or not certified: Add A and B.	\$83,244,286
18. 2015 tax ceilings. Counties, cities and junior colleges enter 2015 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2014 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$0
19. 2015 total taxable value. Add Lines 16E and 17C. Subtract Line 18.	\$1,903,264,904
20. Total 2015 taxable value of properties in territory annexed after Jan. 1, 2014. Include both real and personal property. Enter the 2015 value of property in territory annexed. ¹⁶	\$0
21. Total 2015 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2014. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2014, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2015. ¹⁷	\$123,731,762
22. Total adjustments to the 2015 taxable value. Add Lines 20 and 21.	\$123,731,762
23. 2015 adjusted taxable value. Subtract Line 22 from Line 19.	\$1,779,533,142
24. 2015 effective tax rate. Divide Line 15 by Line 23 and multiply by \$100. ¹⁸	\$0.4870/\$100
25. COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2015 county effective tax rate. ¹⁹	

A county, city or hospital district that adopted the additional sales tax in November 2014 or in May 2015 must adjust its effective tax rate. The Additional Sales Tax Rate Worksheet sets out this adjustment. Do not forget to complete the Additional Sales Tax Rate Worksheet if the taxing unit adopted the additional sales tax on these dates.

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(15)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.03(c)

⁹Tex. Tax Code Section 26.012(13)

¹⁰Tex. Tax Code Section 26.012(15)

¹¹Tex. Tax Code Section 26.03(c)

¹²Tex. Tax Code Section 26.01(c)

¹³Tex. Tax Code Section 26.04 and 26.041

¹⁴Tex. Tax Code Section 26.04 and 26.041

¹⁵Tex. Tax Code Section 26.012(6)

¹⁶Tex. Tax Code Section 26.012(17)

¹⁷Tex. Tax Code Section 26.012(17)

¹⁸Tex. Tax Code Section 26.04(c)

¹⁹Tex. Tax Code Section 26.04(d)

2015 Rollback Tax Rate Worksheet City of Kyle

Date: 07/31/2015

26. 2014 maintenance and operations (M&O) tax rate.	\$0.2603/\$100
27. 2014 adjusted taxable value. Enter the amount from Line 11.	\$1,689,905,214
28. 2014 M&O taxes.	
A. Multiply Line 26 by Line 27 and divide by \$100.	\$4,398,823
B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2014. Enter amount from full year's sales tax revenue spent for M&O in 2014 fiscal year, if any. Other taxing units enter 0. Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$1,521,762
C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other taxing units enter 0.	\$0
D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in H below. The taxing unit receiving the function will add this amount in H below. Other taxing units enter 0.	\$0
E. Taxes refunded for years preceding tax year 2014: Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2014. This line applies only to tax years preceding tax year 2014.	\$584
F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance.	\$0
G. Taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2015 captured appraised value in Line 16D, enter 0.	\$208,067
H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$5,713,102
29. 2015 adjusted taxable value. Enter Line 23 from the Effective Tax Rate Worksheet.	\$1,779,533,142
30. 2015 effective maintenance and operations rate. Divide Line 28H by Line 29 and multiply by \$100.	\$0.3210/\$100
31. 2015 rollback maintenance and operation rate. Multiply Line 30 by 1.08.	Item # 1 \$0.3466/\$100

<p>32. Total 2015 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses.</p> <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. List the debt in Schedule B: Debt Service.</p> <p>B. Subtract unencumbered fund amount used to reduce total debt.</p> <p>C. Subtract amount paid from other resources.</p> <p>D. Adjusted debt. Subtract B and C from A.</p>	<p>\$7,152,832</p> <p>\$409,611</p> <p>\$0</p> <p>\$6,743,221</p>
33. Certified 2014 excess debt collections. Enter the amount certified by the collector.	\$0
34. Adjusted 2015 debt. Subtract Line 33 from Line 32D.	\$6,743,221
35. Certified 2015 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.00%
36. 2015 debt adjusted for collections. Divide Line 34 by Line 35	\$6,743,221
37. 2015 total taxable value. Enter the amount on Line 19.	\$1,903,264,904
38. 2015 debt tax rate. Divide Line 36 by Line 37 and multiply by \$100.	\$0.3542/\$100
39. 2015 rollback tax rate. Add Lines 31 and 38.	\$0.7008/\$100
40. COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2015 county rollback tax rate.	

A taxing unit that adopted the additional sales tax must complete the lines for the Additional Sales Tax Rate. A taxing unit seeking additional rollback protection for pollution control expenses completes the Additional Rollback Protection for Pollution Control.

2015 Additional Sales Tax Rate Worksheet City of Kyle

Date: 07/31/2015

41. Taxable Sales. For taxing units that adopted the sales tax in November 2014 or May 2015, enter the Comptroller's estimate of taxable sales for the previous four quarters. ¹ Taxing units that adopted the sales tax before November 2014, skip this line.	\$0
42. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ² Taxing units that adopted the sales tax in November 2014 or in May 2015. Multiply the amount on Line 41 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³ - or - Taxing units that adopted the sales tax before November 2014. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$1,521,762
43. 2015 total taxable value. Enter the amount from Line 37 of the Rollback Tax Rate Worksheet.	\$1,903,264,904
44. Sales tax adjustment rate. Divide Line 42 by Line 43 and multiply by \$100.	\$0.0800/\$100
45. 2015 effective tax rate, unadjusted for sales tax. Enter the rate from Line 24 or 25, as applicable, on the Effective Tax Rate Worksheet.	\$0.4870/\$100
46. 2015 effective tax rate, adjusted for sales tax. ⁴ Taxing units that adopted the sales tax in November 2014 or in May 2015. Subtract Line 44 from Line 45. Skip to Line 47 if you adopted the additional sales tax before November 2014.	\$0.4870/\$100
47. 2015 rollback tax rate, unadjusted for sales tax. ⁵ Enter the rate from Line 39 or 40, as applicable, of the Rollback Tax Rate Worksheet.	\$0.7008/\$100
48. 2015 rollback tax rate, adjusted for sales tax. Subtract Line 44 from Line 47.	\$0.6208/\$100

¹Tex. Tax Code Section 26.041(d)²Tex. Tax Code Section 26.041(i)³Tex. Tax Code Section 26.041(d)⁴Tex. Tax Code Section 26.04(c)⁵Tex. Tax Code Section 26.04(c)