

Council Budget Workshop

General Fund
Debt Service Fund

0011

August 17, 2016



General Fund

■ Policy

- Maintain an unassigned fund balance in the general fund equal to 35% of operating expenditures.
- Surplus may be considered for one-time expenditures.
- Fund balance of less than 25% of expenditures is considered a cause for concern.

■ Our operating expenses (less capital) = \$10,668,700

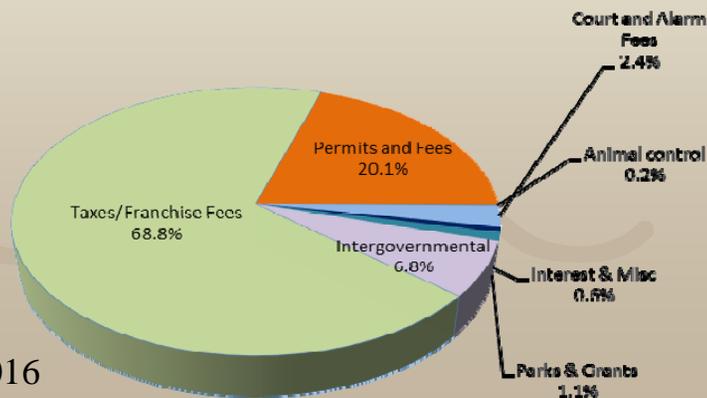
- 35% = \$3,734,045
- Projected ending fund balance = \$3,853,853



General Fund revenues by category p. 19

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
General Taxes and Franchise Fees	\$ 6,888,000	\$ 7,480,200	\$ 592,200	8.6%
Permits and Fees	2,101,000	2,185,000	84,000	4.0%
Animal Services	13,800	18,000	4,200	30.4%
Court and Alarm Fees	275,500	260,400	(15,100)	(5.5%)
Interest and Miscellaneous	30,225	63,200	32,975	109.1%
Parks and Grants	43,000	117,000	74,000	172.1%
Intergovernmental and Transfers	<u>447,031</u>	<u>743,493</u>	<u>296,462</u>	66.3%
Total Revenue	\$9,798,556	\$10,867,293	\$1,068,737	10.9%



- ❑ Taxes and Franchise Fees fund almost 70% of the General Fund operating budget. Permits and Fees fund approximately 20%.

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General Fund Revenue Highlights

❑ Taxes and Fees:

- ❑ Growth in property tax revenue in the general fund is related to new property on the tax roll. The proposed M&O tax rate is \$0.2653 which is the calculated effective M&O rate.
- ❑ Projected growth in sales tax is related to new commercial development combined with expected population growth.
- ❑ Projected growth in franchise fees is related to population growth as well as collection of delinquent franchise fees from GVSUD.
- ❑ Projected growth in permits and fees is related to the consistent growth in commercial and residential development.

❑ Other Revenue Sources:

- ❑ Grant for body camera program adds approximately \$60,000 to our revenue budget.
- ❑ Increase in SCUCISD funding of SRO program adds \$85,000 to intergovernmental revenue.
- ❑ Transfers from the Utility fund and Drainage Utility District add \$100,000 to fund Public Works Administration budget.
- ❑ Transfers from Street Maintenance will fund \$100,000 of street maintenance through the General Fund.

Factors affecting all departmental budgets

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- 2% cost of living increase and up to 2.5% performance based compensation adjustment
- Approximate 3.3% increase in retirement benefits (*approx. \$32,000 in the General Fund budget*)
- Less than 0.5% increase in health and wellness benefits

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General Fund expenditures by category p. 21

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$ 6,695,698	\$ 7,358,457	\$ 662,759	9.9%
Services, Utilities and Training	1,248,690	1,399,960	151,270	12.1%
General Supplies and Repairs	801,780	840,725	38,945	4.9%
Other Expenses	993,885	1,044,318	50,433	5.1%
Transfers	<u>25,020</u>	<u>25,240</u>	<u>220</u>	0.9%
Recurring Operating Expense	\$ 9,765,073	\$10,668,700	\$ 903,627	9.3%
Capital and Non-Capital	1,279,428	1,600,220	320,792	25.1%
Debt Service (related to capital)	<u>82,687</u>	<u>82,579</u>	<u>(108)</u>	(0.1%)
Total Expense	\$11,127,188	\$12,351,500	\$1,224,312	11.0%

Operating expenses increased by 9.3% overall. Almost 75% of the increase is related to increases in salaries and benefits. In the prior year, 9 FTE's were added for a partial year and we are adding 6 FTE's for a partial year in the proposed budget.

Approximately 15% of the increase is related to increases in contract services for outside assistance, including a consultant to evaluate our ERP needs, increased software maintenance and a third party inspection services contract to assist in commercial plan review and inspections.

Administration - City Manager p. 27

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$261,559	\$284,303	\$22,744	8.7%
Services, Utilities and Training	12,400	10,900	(1,500)	(12.1%)
General Supplies and Repairs	5,650	5,275	(375)	(6.6%)
Transfers	<u>920</u>	<u>920</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$280,529	\$301,398	\$20,869	7.4%
Capital and Non-Capital	<u>1,000</u>	<u>0</u>	<u>(1,000)</u>	(100.0%)
Total Expense	\$281,529	\$301,398	\$19,869	7.1%



Administration - City Council p. 29

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Services, Utilities and Training	\$4,000	\$4,000	\$ 0	0.0%
General Supplies and Repairs	<u>6,900</u>	<u>6,900</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$10,900	\$10,900	\$ 0	0.0%

Administration - City Secretary p. 31

	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$177,433	\$182,775	\$5,342	3.0%
Services, Utilities and Training	175,700	150,500	(25,200)	(14.3%)
General Supplies and Repairs	43,550	43,100	(450)	(1.0%)
Transfers	<u>880</u>	<u>880</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$397,563	\$377,255	(\$20,308)	(5.1%)

Highlights for FY 2016-2017 include:

- Reduction in contract services related to records management.
- Reduction in legal fees.



Police Department

- 0011
- Divided into division budgets
 - Administration
 - SRO Program
 - Records
 - Criminal Investigations
 - Warrants
 - Patrol
 - Traffic
 - Canine (K-9) Program

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Police Department Administration p. 33

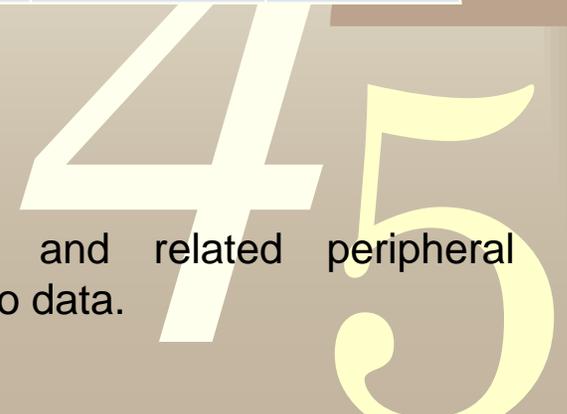
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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$187,053	\$204,644	\$17,591	9.4%
Services, Utilities and Training	134,120	137,615	3,495	2.6%
General Supplies and Repairs	20,450	23,450	3,000	14.7%
Other Expenses	203,500	203,500	0	0.0%
Transfers	<u>1,360</u>	<u>1,360</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$546,483	\$570,569	\$24,086	4.4%
Capital and Non-Capital	0	2,500	2,500	
Grant funded capital program	<u>0</u>	<u>85,700</u>	<u>85,700</u>	
Total Expense	\$546,483	\$658,769	\$112,286	20.5%

Highlights for FY 2016-2017 include:

- Additional funding for building maintenance.
- Funding for reporting software.
- Grant funded capital includes body cameras and related peripheral infrastructure to efficiently and remotely transfer video data.

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Police – SRO Program p. 35

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$135,852	\$226,668	\$90,816	66.8%
Services, Utilities and Training	4,420	6,840	2,420	54.8%
General Supplies and Repairs	<u>17,500</u>	<u>18,500</u>	<u>1,000</u>	5.7%
Recurring Operating Expense	\$157,772	\$252,008	94,236	59.7%

Highlights for FY 2016-2017 include:

- ❑ An additional officer position was added to the police department with the intention of transferring to the SRO program for FY 2016-2017. That position, in addition to being transferred, was upgraded to a Sergeant position in the proposed budget. SCUCISD is funding the additional position with an increase in the contract amount of \$85,000.
- ❑ Additional funding is required in services and training to support the additional position.

Police Department - Records p. 37

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$86,704	\$90,055	\$3,351	3.9%
Services, Utilities and Training	1,400	2,000	600	42.9%
General Supplies and Repairs	9,950	8,700	(1,250)	(12.6%)
Other Expenses	<u>400</u>	<u>600</u>	<u>200</u>	50.0%
Recurring Operating Expense	\$98,454	\$101,355	\$2,901	2.9%

Highlights for FY 2016-2017 include:

- ❑ Additional funding for training and credit card fees.



Police Department - Investigations p. 39

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$335,827	\$374,962	\$39,135	11.7%
Services, Utilities and Training	6,426	10,000	3,574	55.6%
General Supplies and Repairs	27,274	27,900	626	2.3%
Transfers	<u>1,660</u>	<u>1,660</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$371,187	\$414,522	\$43,335	11.7%
Capital and Non-capital	<u>28,583</u>	<u>20,000</u>	<u>(8,583)</u>	(30.0%)
Total Expense	\$399,770	\$434,522	\$34,752	8.7%

Highlights for FY 2016-2017 include:

- ❑ New position – Property / Evidence Technician to support body camera program as well as allow the investigator that is currently performing evidence room duties to devote additional time to cases.
- ❑ Additional funding to cover surveillance operations.

Police Department - Warrants p. 41

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$67,005	\$70,313	\$3,308	4.9%
Services, Utilities and Training	1,000	1,500	500	50.0%
General Supplies and Repairs	<u>7,800</u>	<u>6,700</u>	<u>(1,100)</u>	(14.1%)
Recurring Operating Expense	\$75,805	\$125,813	\$50,008	66.0%
Capital and Non-capital	<u>0</u>	<u>47,300</u>	<u>47,300</u>	
Total Expense	\$75,805	\$125,813	\$50,008	66.0%

Highlights for FY 2016-2017 include:

- ❑ Capital funding included to replace worn vehicle.



Police Department - Patrol p. 43

	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$1,650,033	\$1,733,745	\$83,712	5.1%
Services, Utilities and Training	15,000	15,000	0	0.0%
General Supplies and Repairs	184,200	194,600	10,400	5.6%
Transfers	<u>11,860</u>	<u>11,860</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$1,861,093	\$1,955,205	\$94,112	5.1%
Capital and Non-Capital	138,900	143,400	4,500	3.2%
Debt Service	<u>62,387</u>	<u>62,279</u>	<u>(108)</u>	(0.2%)
Total Expense	\$2,062,380	\$2,160,884	\$98,504	4.8%

Highlights for FY 2016-2017 include:

- ❑ Additional funding for vehicle repair – aging fleet.
- ❑ Capital funding to replace 2 patrol vehicles.
- ❑ Debt service is related to replacement of vehicles in FY 2014-2015.

Police Department - Traffic p. 45

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$67,654	\$70,528	\$2,874	4.2%
Services, Utilities and Training	1,000	1,000	0	0.0%
General Supplies and Repairs	<u>7,750</u>	<u>7,250</u>	<u>(500)</u>	(6.5%)
Recurring Operating Expense	\$76,404	\$78,778	\$2,374	3.1%
Capital and Non-capital	<u>15,000</u>	<u>0</u>	<u>(15,000)</u>	(100.0%)
Total Expense	\$91,404	\$78,778	(\$12,626)	(13.8%)

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Police – K-9 Program p. 47

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$137,065	\$142,716	\$5,651	4.1%
Services, Utilities and Training	7,200	4,700	(2,500)	(34.7%)
General Supplies and Repairs	<u>12,400</u>	<u>12,400</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$156,665	\$159,816	\$3,151	2.0%

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Municipal Court p. 49

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$96,252	\$99,768	\$3,516	3.7%
Services, Utilities and Training	78,020	81,400	3,380	4.3%
General Supplies and Repairs	8,800	7,600	(1,200)	(13.6%)
Other Expenses	4,000	4,000	0	0.0%
Transfers	<u>960</u>	<u>960</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$188,032	\$193,728	\$5,696	3.0%

Highlights for FY 2016-2017 include:

- ❑ Additional funding in contract services to cover increased software costs.

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Planning and Engineering p. 51

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$718,457	\$666,997	(\$51,460)	(7.2%)
Services, Utilities and Training	190,944	176,200	(14,744)	(7.7%)
General Supplies and Repairs	29,850	28,500	(1,350)	(4.5%)
Other Expenses	6,500	7,000	500	7.7%
Transfers	<u>2,600</u>	<u>2,600</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$948,351	\$881,297	(\$67,054)	(7.1%)
Capital and Non-Capital	<u>25,800</u>	<u>0</u>	<u>(25,800)</u>	(100.0%)
Total Expense	\$974,151	\$881,297	(\$92,584)	(9.5%)

Highlights for FY 2016-2017 include:

- ❑ Reduction in personnel offset by increase in contract services for plan review and inspection services.
- ❑ Reduction in engineering services related to a one-time cost of a Master Plan in FY 2015-2016.

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Public Works – Streets p. 53

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$680,450	\$683,806	\$3,356	0.5%
Services, Utilities and Training	29,350	27,600	(1,750)	(6.0%)
General Supplies and Repairs	182,400	183,500	1,100	0.6%
Transfers	<u>740</u>	<u>440</u>	<u>(300)</u>	(40.5%)
Recurring Operating Expense	\$892,940	\$895,346	\$2,406	0.3%
Capital and Non-Capital	110,644	21,700	(88,944)	(80.4%)
Transfers <i>(for capital)</i>	0	25,000	25,000	
Debt Service <i>(for capital)</i>	<u>20,300</u>	<u>20,300</u>	<u>0</u>	0.0%
Total Expense	\$1,023,884	\$962,346	(61,538)	(6.0%)

Highlights for FY 2016-2017 include:

- Moved administrative positions to a separate divisional budget
- Transfer includes 25% funding of additional building improvements that is provided for in the utility fund budget.

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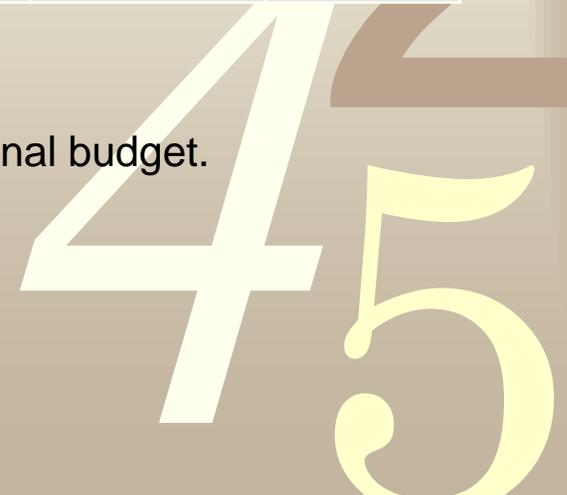
Public Works – Administration p. 55

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$ 0	\$184,441	\$184,441	
Services, Utilities and Training	0	9,420	9,420	
General Supplies and Repairs	0	7,400	7,400	
Transfers	<u>0</u>	<u>520</u>	<u>520</u>	
Recurring Operating Expense	\$ 0	\$201,781	\$201,781	
Capital and Non-Capital	<u>0</u>	<u>2,100</u>	<u>2,100</u>	
Total Expense	\$ 0	\$203,881	\$203,881	

Highlights for FY 2016-2017 include:

- ❑ Moved administrative positions to a separate divisional budget.



Animal Services p. 57

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$131,958	\$162,020	\$30,062	22.8%
Services, Utilities and Training	18,245	19,980	1,735	9.5%
General Supplies and Repairs	24,300	24,600	300	1.2%
Other Expenses	0	120	120	
Transfers	<u>1,240</u>	<u>1,240</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$175,743	\$207,960	\$32,217	18.3%
Capital and Non-Capital	<u>12,000</u>	<u>7,500</u>	<u>(4,500)</u>	(37.5%)
Total Expense	\$187,743	\$215,460	\$27,717	14.8%

Highlights for FY 2016-2017 include:

- ❑ Additional hours for part-time positions – kennel attendants – to help facilitate longer hours and keep animal control officers out in the field.

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Public Works – Parks p. 59

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$441,435	\$480,320	\$38,885	8.8%
Services, Utilities and Training	80,540	74,800	(5,740)	(7.1%)
General Supplies and Repairs	73,500	68,950	(4,550)	(6.2%)
Transfers	<u>220</u>	<u>220</u>	<u>25,000</u>	11363.6%
Recurring Operating Expense	\$595,695	\$624,290	\$28,595	4.8%
Capital and Non-Capital	111,763	52,720	(59,043)	(52.8%)
Transfers	<u>0</u>	<u>25,000</u>	<u>25,000</u>	
Total Expense	\$707,458	\$702,010	(\$5,448)	(0.8%)

Highlights for FY 2016-2017 include:

- ❑ Shifting a labor position over to Streets as a crew leader to improve work flow efficiency and address growing street maintenance needs.
- ❑ Capital funding includes a community garden and improvements to parks throughout our community.

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Finance Department p. 61

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$222,166	\$267,747	\$45,581	20.5%
Services, Utilities and Training	142,800	152,400	9,600	6.7%
General Supplies and Repairs	4,500	7,900	3,400	75.6%
Transfers	<u>740</u>	<u>740</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$370,206	\$428,787	\$58,581	15.8%

Highlights for FY 2016-2017 include:

- ❑ Addition of a new position mid-year to assist in managing daily operations, monthly financial reporting and improve our processes and workflow.

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Information Technology p. 63

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$193,545	\$205,737	\$12,192	6.3%
Services, Utilities and Training	73,970	134,050	60,080	81.2%
General Supplies and Repairs	18,000	18,300	300	1.7%
Transfers	<u>560</u>	<u>560</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$286,075	\$358,647	\$72,572	20.2%
Capital and Non-Capital	<u>127,338</u>	<u>198,500</u>	<u>71,162</u>	55.9%
Total Expense	\$413,413	\$557,147	\$143,734	34.8%

Highlights for FY 2016-2017 include:

- ❑ Increase in contract services for consultant work related to evaluating our Enterprise Resource Planning needs and upgrading our systems.
- ❑ Capital funding includes expansion of our network storage and our backup solution which will also support our body camera program, and implementing a city-wide records management solution.

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Human Resources p. 65

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	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$86,019	\$106,433	\$20,414	23.7%
Services, Utilities and Training	16,625	10,100	(6,525)	(39.2%)
General Supplies and Repairs	22,825	24,050	1,225	5.4%
Transfers	<u>220</u>	<u>220</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$125,689	\$140,803	\$15,114	12.0%
Capital and Non-capital	<u>0</u>	<u>6,000</u>	<u>6,000</u>	
Total Expense	\$125,689	\$146,803	\$21,114	16.8%

Highlights for FY 2016-2017 include:

- ❑ Addition of part-time clerical staff to provide administrative relief/support for human resources.
- ❑ Capital funding includes equipment for records storage and organization.

Fire Department p. 67

	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	\$1,169,232	\$1,320,480	\$151,248	12.9%
Services, Utilities and Training	51,719	57,120	5,401	10.4%
General Supplies and Repairs	69,181	85,400	16,219	23.4%
Other Expenses	484,235	534,098	49,863	10.3%
Transfers	<u>1,060</u>	<u>1,060</u>	<u>0</u>	0.0%
Recurring Operating Expense	\$1,775,427	\$1,998,158	\$222,731	12.5%
Capital and Non-capital	<u>358,400</u>	<u>411,000</u>	<u>52,600</u>	14.7%
Total Expense	\$2,133,827	\$2,409,158	\$275,331	12.9%

Highlights for FY 2016-2017 include:

- ❑ 3 firefighters funded mid-year.
- ❑ Capital funding to complete improvement to Fire Station #1 incomplete in FY 2015-2016 is being carried forward to FY 2016-2017. Additional capital funding for a fire engine that will be financed over multiple years.

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Non-departmental p. 69

	FY 2015-2016 Current Budget	FY 2016-2017 Proposed Budget	\$ Difference	% Difference
Salaries and Benefits	(\$150,000)	(\$200,000)	(\$50,000)	(33.3%)
Services, Utilities and Training	203,811	312,835	109,024	53.5%
General Supplies and Repairs	25,000	29,750	4,750	19.0%
Other Expenses	<u>295,250</u>	<u>295,000</u>	<u>(250)</u>	(0.1%)
Recurring Operating Expense	\$374,061	\$437,585	\$63,524	17.0%
Capital and Non-capital	<u>350,000</u>	<u>551,800</u>	<u>201,800</u>	57.7%
Total Expense	\$724,061	\$989,385	\$265,324	36.6%

Highlights for FY 2016-2017 include:

- ❑ Salary savings was increased to better reflect actual savings experienced.
- ❑ This budget includes \$450,000 in capital (carrying forward \$350,000 from the prior year and adding \$100,000) for a portion of the rehabilitation of the old school building to accommodate a growing city staff.
- ❑ Additional capital funding for a digital marquee sign and replacement of an administrative vehicle.

8/23/2016

Debt Service Fund

- 0011
- The Debt Service Fund budget is based on a rate for interest and sinking (I&S) of \$0.1821. The increase in our I&S rate is due to the recent issuance of bonds approved in the November 2015 election and issued in 2016.

Debt Service Requirements (p.173)

Bond Issue	Principal	Interest	Bond Payment
2003 Certificates of Obligation	\$ 100,000	\$ 2,000	\$ 102,000
2007 General Obligation & Refunding Bds	530,000	69,975	599,975
2009 General Obligation Bonds	205,000	393,518	598,518
2010 General Obligation Refunding Bonds	90,000	14,195	104,195
2011 General Obligation Bonds	365,000	214,130	579,130
2012 Refunding Bonds	85,000	39,000	124,000
2013 General Obligation Bonds	475,000	241,368	716,368
2014 General Obligation Bonds	115,000	81,700	196,700
2015 General Obligation & Refunding Bds	145,000	322,600	467,600
2016 General Obligation Bonds	<u>130,000</u>	<u>99,938</u>	<u>229,938</u>
	\$ 2,240,000	\$ 1,478,423	\$ 3,718,423
Less amounts paid from other sources			<u>324,263</u>
Debt to be paid from I&S Taxes			3,394,160
Less frozen levy			<u>235,000</u>
Additional levy needed			\$ 3,159,160
Net total taxable value			\$1,734,072,894
8/23/2016	I&S Tax Rate needed		\$0.1821/\$100

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Tax Rate Discussion (p. 167)

Proposed Tax Rate	\$0.4474	Per \$100 valuation
Preceding Year's Tax Rate	\$0.4454	Per \$100 valuation
Effective Tax Rate	\$0.4407	Per \$100 valuation
Rollback Tax Rate	\$0.4686	Per \$100 valuation

The effective rate is the total tax rate needed to raise the same amount of property tax revenue for the City from the same properties that were on the tax roll in the previous year.

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

If Council proposes a rate above the lower of the effective or rollback rate, a record vote is required and public hearings must be scheduled.

Tax Rate Discussion

- Tax Rate is made up of two components:
 - M&O Rate – For maintenance and operations which goes into the General Fund.
 - I&S Rate - For Interest and Sinking which goes into the Debt Service Fund.

	Total	M&O	I&S	Effect on Avg Home Value* From proposed	Effect on Budget from proposed
Effective Rate	\$0.4407	\$0.2586	\$0.1821	-\$14.56	-\$116,183
Current Rate	\$0.4454	\$0.2681	\$0.1773	-\$ 4.34	-\$ 34,681
Proposed Rate	\$0.4474	\$0.2653	\$0.1821	\$ 0.00	\$ 0
Current M&O	\$0.4502	\$0.2681	\$0.1821	+\$ 6.09	\$ 48,554
Rollback Rate	\$0.4686	\$0.2865	\$0.1821	+\$46.08	+\$367,623

*Average taxable homestead value is \$217,347

Tax Rate Discussion

- Two public hearings are required if proposed tax rate will exceed the rollback rate or the effective tax rate (whichever is lower).
- Proposed Rate \$0.4474
 - **1.52%** over effective rate
- Effective Rate Calculation (p. 169-173)

Adjusted 2015 taxes (less freeze amounts)	7,263,548
Divided by 2016 adjusted taxable value (less value of new improvements and tax ceilings)	1,648,159,822
Multiply by \$100	\$0.4407

Tax Rate Discussion

0011 • Rollback Rate Calculation

Adjusted 2015 M&O taxes (less freeze amounts)	4,372,336
Divided by 2016 adjusted taxable value (less value of new improvements and tax ceilings)	1,648,159,822
Multiply by \$100 valuation (This is the effective M&O rate)	\$0.2653
Multiply by 1.08	\$0.2865
Add calculated debt rate	\$0.1821
Rollback tax rate	\$0.4686

Breakdown of Tax Revenue Increase

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Tax revenue increase calculated	\$428,311	5.84%
Tax revenue increase in debt service fund (voter approved debt issued in 2016)	\$239,927	8.22%
Tax revenue increase in general fund for maintenance and operations	\$188,383	4.27%
Tax revenue increase from new property on the tax roll	\$384,375	5.24%



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	Rate/\$100 Valuation	2015	2016	Difference from prior year	Difference over effective rate	% over effective rate
Taxable Value (adjusted for court ordered reductions)		\$1,643,055,848	\$1,734,072,894			
<u>Total Effect on Property Tax Revenue</u>						
2015 Tax Rate	0.4454	\$7,329,932				
2016 Effective Rate	0.4407		\$7,642,059	\$312,128		
2016 Proposed Tax Rate	0.4474		\$7,758,242	\$428,310	\$116,183	1.52%
<u>Total Effect on Maintenance and Operations</u>						
2015 M&O Tax Rate	0.2681	\$4,412,112				
2016 Effective M&O Rate	0.2653		\$4,600,495	\$188,383		
2016 Proposed M&O Tax Rate	0.2653		\$4,600,495	\$188,383	\$0	0.00%
<u>Total Effect on Interest & Sinking (Debt Service)</u>						
2015 I&S Tax Rate	0.1773	\$2,917,820				
2016 I&S Tax Rate at Effective Rate	0.1754		\$3,041,564	\$123,744		
2016 Proposed I&S Tax Rate	0.1821		\$3,157,747	\$239,927	\$116,183	3.82%

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	Rate/\$100 Valuation	2015	2016	Difference from prior year	Difference over effective rate	% over effective rate
Taxable Value		\$100,000	\$100,000			
<u>Total Effect on Property Tax Revenue</u>						
2015 Tax Rate	0.4454	\$445.40				
2016 Effective Rate	0.4407		\$440.70	(\$4.70)		
2016 Proposed Tax Rate	0.4474		\$447.40	\$2.00	\$6.70	1.52%
<u>Total Effect on Maintenance and Operations</u>						
2015 M&O Tax Rate	0.2681	\$274.50				
2016 Effective M&O Rate	0.2653		\$265.30	(\$2.80)		
2016 Proposed M&O Tax Rate	0.2653		\$265.30	(\$2.80)	\$0.00	0.00%
<u>Total Effect on Interest & Sinking (Debt Service)</u>						
2015 I&S Tax Rate	0.1773	\$170.90				
2016 I&S Tax Rate at Effective Rate	0.1754		\$175.40	(\$1.90)		
2016 Proposed I&S Tax Rate	0.1821		\$182.10	\$4.80	\$6.70	3.82%

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	Rate/\$100 Valuation	2015	2016	Difference from prior year	Difference over effective rate	% over effective rate
Average Taxable Homestead Value		\$203,754	\$217,347	\$13,593 (+6.7%)		
<u>Total Effect on Property Tax Revenue</u>						
2015 Tax Rate	0.4454	\$907.52				
2016 Effective Rate	0.4407		\$957.85	\$50.33		
2016 Proposed Tax Rate	0.4474		\$972.41	\$64.89	\$14.56	1.52%
<u>Total Effect on Maintenance and Operations</u>						
2015 M&O Tax Rate	0.2681	\$546.26				
2016 Effective M&O Rate	0.2653		\$576.62	\$30.36		
2016 Proposed M&O Tax Rate	0.2653		\$576.62	\$30.36	\$0.00	0.00%
<u>Total Effect on Interest & Sinking (Debt Service)</u>						
2015 I&S Tax Rate	0.1773	\$361.26				
2016 I&S Tax Rate at Effective Rate	0.1754		\$381.23	\$19.97		
2016 Proposed I&S Tax Rate	0.1821		\$395.79	\$34.53	\$14.56	3.82%

8/23/2016

Required Public Notice under LGC 140.010

- 001
- ❑ SB 1760
 - ❑ Amended LGC 140.010(e) and Tax Code 26.06(d) to add new language effective 1/1/16.
 - ❑ Amended LGC 140.010(f) for the publication deadline to the later of September 1st or the 30th day after receiving the certified appraisal roll.
 - ❑ Amended Tax Code 26.05(b) to require a 60% vote of the governing body to set a tax rate that exceeds the effective tax rate.

8/23/2016

NOTICE OF 2016 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF CIBOLO

A tax rate of \$0.4474 per \$100 valuation has been proposed for adoption by the governing body of City of Cibolo. 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.

The governing body of City of Cibolo proposes to use revenue attributable to the tax rate increase for the purpose of repayment of voter authorized bonded debt issued in 2016.

PROPOSED TAX RATE	\$0.4474 per \$100
PRECEDING YEAR'S TAX RATE	\$0.4454 per \$100
EFFECTIVE TAX RATE	\$0.4407 per \$100
ROLLBACK TAX RATE	\$0.4686 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City of Cibolo from the same properties in both the 2015 tax year and the 2016 tax year.

The rollback tax rate is the highest tax rate that City of Cibolo 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:

Tavie Murphy
Tax Assessor/Collector
307 West Court, Seguin, Texas 78155
830 303-8850
tavie@co.guadalupe.tx.us
www.co.guadalupe.tx.us

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

First Hearing: August 23, 2016 at 06:30 PM at Cibolo City Hall, 200 South Main St., Cibolo, Texas.

Second Hearing: September 6, 2016 at 06:30 PM at Cibolo City Hall, 200 South Main St., Cibolo, Texas.

Public Hearings and Adoption

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- Public Hearings
 - August 23, 2016
 - September 6, 2016
- Tax Rate Adoption
 - September 13, 2016

8/23/2016

