

ORDINANCE NO. 2018- 53

AN ORDINANCE ESTABLISHING AND ADOPTING THE AD VALOREM TAX RATE FOR ALL TAXABLE PROPERTY WITHIN THE CITY OF KINGSVILLE, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 01, 2018 AND ENDING SEPTEMBER 30, 2019, DISTRIBUTING THE TAX LEVY AMONG THE VARIOUS FUNDS, AND PROVIDING FOR A LIEN ON REAL AND PERSONAL PROPERTY TO SECURE THE PAYMENT OF TAXES ASSESSED.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS, that the ad valorem tax rate for all taxable property within the city limits of Kingsville, Texas for FY 2018-2019 be established and adopted as follows:

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

Section Two: That there be and there is hereby levied and ordered collected on each One Hundred Dollar (\$100) valuation of all taxable property, real, personal, and mixed, within the corporate limits of the City of Kingsville, Texas, for the tax corporate limits of the City of Kingsville, Texas, for the tax year 2018 starting October 01, 2018 and ending September 30, 2019, the sum of \$.83000 based on 100% of the fair market value.

Section Three: Said levy shall be distributed in the following manner:

FOR GENERAL FUND EXPENDITURES (Maintenance & Operations), the sum of \$.66488 on each one hundred dollars (\$100.00) assessed valuation of such property.

FOR DEBT SERVICE FUND EXPENDITURES of annual principal, interest, and service fees of all General Obligation Bonds, Warrants, Certificates of Obligation, and Combination Tax and Junior Lien Revenue Certificates of Obligations, of the City of Kingsville, the sum of \$.16512 on each one hundred dollars (\$100) assessed valuation of such property.

Section Four: That said taxes shall be due and payable at the time and in the manner provided by ordinances of the City of Kingsville and laws of the State of Texas, relating to the payment of taxes and providing for penalties and interest on delinquent taxes.

Section Five: There is hereby fixed, levied on each and every item of taxable property a lien for the purpose of securing the certain payment of the taxes assessed against said item of property and said lien shall continue to exist against any item of property against which a tax is assessed hereunder until such tax together with all penalties and interest shall be paid.

Section Six: This ordinance shall be in full force and effective ten days from and after the date of the second publication in a local newspaper as provided by law and the City Charter of the City of Kingsville.

Section Seven: The tax rate established and adopted by this ordinance and a copy of this ordinance shall be filed in the office of the Tax Assessor Collector.

Section Eight: That no discounts or split payments are allowed for the 2018 tax year.

Section Nine: That an exemption of \$8,400.00 be granted for any person of age sixty-five (65) or over.

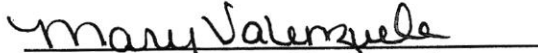
Section Ten: The Kleberg County Tax Assessor-Collector is hereby authorized to assess and collect the taxes of the City of Kingsville employing the above tax rate.

INTRODUCED on this the 4th day of September, 2018.

PASSED on this the 10th day of September, 2018.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, City Secretary

APPROVED AS TO FORM:


Courtney Alvarez, City Attorney

EFFECTIVE DATE: September 27, 2018

Notice of Adopted 2018 Tax Rate

CITY OF KINGSVILLE ADOPTED A TAX RATE THAT WILL
RAISE MORE TAXES FOR MAINTENANCE AND
OPERATIONS THAN LAST YEAR'S TAX RATE.

**§26.05(b) of Property Tax Code
Steps Required for Adoption of Tax Rate**

Entity Name: CITY OF KINGSVILLE

Date: 09/06/2018 02:09 PM

Language Required in the Motion Setting This Year's Tax Rate:

This year's proposed tax rate exceeds the effective tax rate. The vote on the ordinance, resolution, or order setting the tax rate must be a record vote. A motion to adopt the ordinance, resolution, or order must be made in the following form:

I move that the property tax rate be increased by the adoption of a tax rate of 0.83000, which is effectively a 1.26 percent increase in the tax rate.

Statement Required in the Ordinance, Resolution, or Order Setting This Year's Tax Rate:

This year's levy to fund maintenance and operations expenditures exceeds last year's maintenance and operations tax levy. The following statements must be included in the ordinance, resolution, or order setting this year's tax rate. The statements must be in larger type than the type used in any other portion of the document.

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

Statement That Must be Posted on the Home Page of Any Internet Website Operated by the Taxing Unit:

This year's levy to fund maintenance and operations expenditures exceeds last year's maintenance and operations tax levy. The following statements must be included in the ordinance, resolution, or order setting this year's tax rate. The statements must be in larger type than the type used in any other portion of the document.

CITY OF KINGSVILLE ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

2018 Governing Body Summary #1A*

Benchmark 2018 Tax Rates

CITY OF KINGSVILLE

Date: 09/06/2018 02:09 PM

DESCRIPTION OF TAX RATE	TAX RATE PER \$100	THIS YEAR'S TAX LEVY**	ADDITIONAL TAX LEVY
Effective Tax Rate	\$0.81971	\$6,984,703	
One Percent \$100 Tax Increase***	\$0.82791	\$7,054,575	\$69,872
One Cent per \$100 Tax Increase***	\$0.829710	\$7,069,913	\$85,210
Notice & Hearing Limit****	\$0.81971	\$6,984,703	\$0
Rollback Tax Rate	\$0.90582	\$7,718,442	\$733,739
Last Year's Tax Rate	\$0.842200	\$7,176,339	\$191,636
Proposed Tax Rate	\$0.83000	\$7,072,384	\$87,681

*These figures are provided as estimates of possible outcomes resulting from varying the tax rate. Please be aware that these are only estimates and should not be used alone in making budgetary decisions.

**Tax levies are calculated using line 19 of the Effective Tax Rate Worksheet and this year's frozen tax levy on homesteads of the elderly or disabled.

***Tax increase compared to effective tax rate.

****The Notice and Hearing Limit is the highest tax rate that may be adopted without publishing Texas Comptroller's Notice 50-819 and holding two public hearings (Notice 50-818 must still be published). It is the lower of the rollback tax rate or the effective tax rate.

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
CITY OF KINGSVILLE

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 6 of the Effective Tax Rate Worksheet.	\$817,904,862
2. Last year's M&O tax rate. Enter Line 26 of the Rollback Tax Rate Worksheet.	\$0.69055/\$100
3. M&O taxes refunded for years preceding tax year 2017. Enter Line 28E of the Rollback Tax Rate Worksheet.	\$5,388
4. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	\$5,653,430
5. This year's total taxable value. Enter line 19 of the Effective Tax Rate Worksheet.	\$852,094,435
6. This year's proposed M&O tax rate Enter the proposed M&O tax rate approved by the Governing Body.	\$0.66488/\$100
7. This year's M&O tax levy. Multiply line 5 times line 6 and divide by 100.	\$5,665,405
8. M&O Tax Increase (Decrease). Subtract line 4 from line 7.	\$11,975
Comparison of Total Tax Rates	
9. Effective Total Tax Rate.	\$0.81971/\$100
10. This year's proposed total tax rate.	\$0.83000/\$100
11. This year's rate minus effective rate. Subtract line 9 from line 10.	\$0.01029
12. Percentage change in total tax rate. Divide Line 11 by line 9.	1.26%
Comparison of M&O Tax Rates	
13. Effective M&O Tax Rate. Enter line 30 of the Rollback Tax Rate Worksheet. Adjust for Sales Tax using Line 44 of the Sales Tax Worksheet, if necessary.	\$0.67179/\$100
14. This year's proposed M&O tax rate.	\$0.66488/\$100
15. This year's rate minus effective rate. Subtract line 13 from line 14.	\$-0.00691
16. Percentage change in M&O tax rate. Divide line 15 by line 13.	-1.03%
Raised M&O Taxes on a \$100,000 Home	
17. This year's taxable value on a \$100,000 home.	\$100,000
18. Last year's M&O tax rate.	\$0.69055/\$100
19. This year's proposed M&O tax rate.	\$0.66488/\$100
20. This year's raised M&O taxes. Subtract line 18 from line 19 and multiply result by line 17.	\$-25.67

**Worksheet for Calculation of Tax Increase
CITY OF KINGSVILLE**

Date: 09/06/2018 02:09 PM

1. 2017 taxable value, adjusted for court-ordered reductions. Enter Line 6 of the Effective Tax Rate Worksheet.	\$817,904,862
2. 2017 total tax rate. Enter Line 4 of the Effective Tax Rate Worksheet.	\$0.84220/\$100
3. 2017 tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add ETR line 13.	\$6,895,278
4. 2018 total taxable value. Enter line 19 of the Effective Tax Rate Worksheet.	\$852,094,435
5. 2018 proposed tax rate. Enter the proposed tax rate approved by the Governing Body.	\$0.83000/\$100
6. 2018 tax levy. Multiply line 4 times line 5 and divide by 100.	\$7,072,384
7. Tax levy increase (decrease). Subtract line 3 from line 6.	\$177,106
8. Percentage levy increase (decrease). Divide line 7 by line 3. Multiply by 100.	2.57%
9. Notice & hearing limit. Enter the lower of the effective tax rate or the rollback tax rate.	\$0.81971
10. Percentage tax increase (decrease)*. Subtract Line 9 from Line 5. Divide result by Line 9. Multiply by 100.	1.26%

*Amount by which the proposed tax rate exceed the lower of the rollback tax rate or the effective tax rate. This figure was previously published in the Notice of Public Hearing on Tax Increase and the Notice of Tax Revenue Increase.

**2018 Notice of Effective Tax Rate
Worksheet for Calculation of Tax Increase/Decrease
CITY OF KINGSVILLE**

Date: 09/06/2018 02:09 PM

1. 2017 taxable value, adjusted for court-ordered reductions. Enter Line 6 of the Effective Tax Rate Worksheet.	\$817,904,862
2. 2017 total tax rate. Enter Line 4 of the Effective Tax Rate Worksheet.	\$0.84220/\$100
3. Taxes refunded for years preceding tax year 2017. Enter Line 13 of the Effective Tax Rate Worksheet.	\$6,884
4. 2017 tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	\$6,895,278
5. 2018 total taxable value. Enter line 19 of the Effective Tax Rate Worksheet.	\$852,094,435
6. 2018 effective tax rate. Enter Line 24 of the Effective Tax Rate Worksheet or Line 46 of the Additional Sales Tax Worksheet (if applicable).	\$0.81971/\$100
7. 2018 tax levy if a tax rate equal to the effective tax rate is adopted. Multiply line 5 times line 6 and divide by 100.	\$6,984,703
8. Tax Increase (Decrease). Subtract line 4 from line 7.	\$89,425