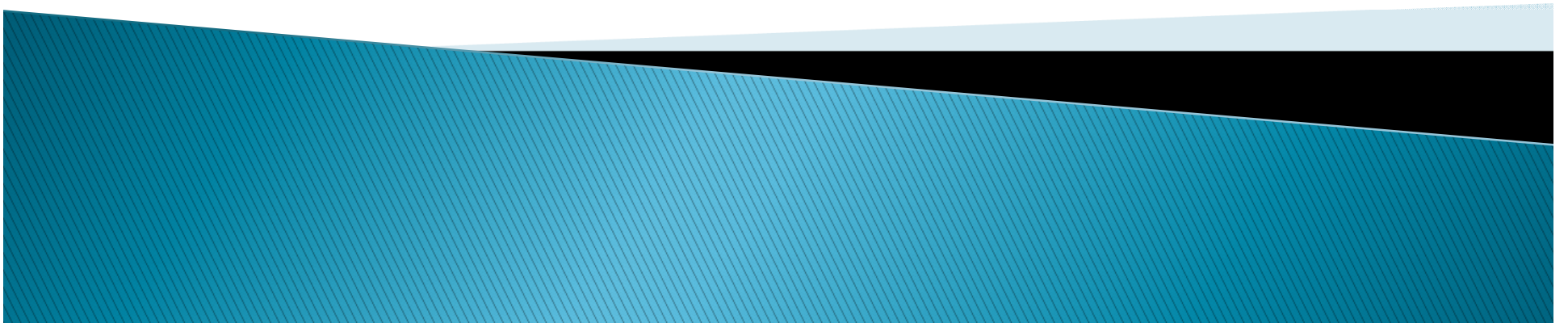


City of Texas City

Property Tax
For Tax Year 2018



In early July, the City provides to the County Tax Office:

- expected year-end fund balances
- amount paid to the tax increment zone
- debt service information
- sales tax revenue information

In mid to late July, the Galveston Central Appraisal District issues:

- certified appraisal review board (ARB) approved totals
- under ARB review totals to the taxing entities.

As soon as possible thereafter, the County Tax Office calculates the effective tax rate and the rollback tax rate.



The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for the city from the same properties in both the 2017 tax year and the 2018 tax year.




EFFECTIVE TAX RATE CALCULATION:

Adjusted 2017 tax levy (per GCTO): \$24,244,397

<u>2018 Certified Values:</u>	\$5,064,552,163
Less: Tax increment financing values	-\$188,070,738
Plus: 85% under ARB review values	+\$91,582,426
Less: Tax ceilings (65 or older or disabled)	<u>-\$252,714,647</u>
<u>2018 Total Taxable Value</u>	\$4,715,349,204
Less: Value of 2018 new improvements	<u>-\$61,854,304</u>
<u>2018 Adjusted Taxable Value</u>	\$4,653,494,900

2018 Effective Tax Rate: $\$24,244,397 /$
 $\$4,653,494,900 \times \$100 =$
\$0.520993 per \$100



The rollback tax 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.

This rate is split into 2 separate rates:

Maintenance & Operations (M&O) rate—rate to raise same amount levied in prior yr + 8%

Debt rate—rate necessary to pay City's debt payments in the coming year



ROLLBACK TAX RATE CALCULATION:

Adjusted M&O Taxes (per GCTO): \$25,163,732

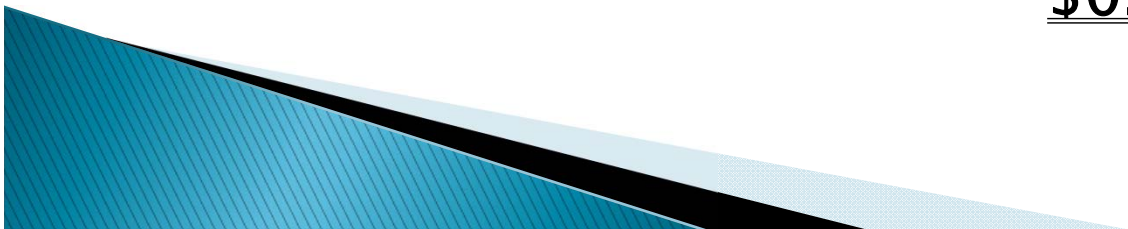
2018 Adjusted Taxable Value: \$4,653,494,900

2018 Effective M&O Rate: $\frac{\$25,163,732}{\$4,653,494,900} \times \$100 =$
\$0.540749 per \$100

2018 Rollback M&O Rate: $\$0.540749 \times 1.08 = \0.584008
per \$100

Adjusted 2018 Debt: \$4,119,847 (net of TCEDC contr.)

2018 Debt Tax Rate: $\frac{\$4,119,847}{\$4,715,349,204} \times \$100 =$
\$0.08737 per \$100



ROLLBACK TAX RATE CALCULATION (cont'd.):

Total 2018 Rollback Rate:

2018 Rollback M&O Rate: \$0.584008 per \$100

2018 Debt Tax Rate: \$0.087370 per \$100
\$0.671378 per \$100

Sales Tax Adj.: \$5,272,198 / \$4,715,349,204 X \$100
= \$0.111810 per \$100

2018 Rollback Tax Rate (adjusted for sales tax):
\$0.671378 - \$0.111810
= \$0.559568 per \$100



EFFECTIVE TAX RATE:

\$0.520993 per \$100 of property value

M&O rate: \$0.433623

Debt (I&S) rate: \$0.087370

ROLLBACK TAX RATE:

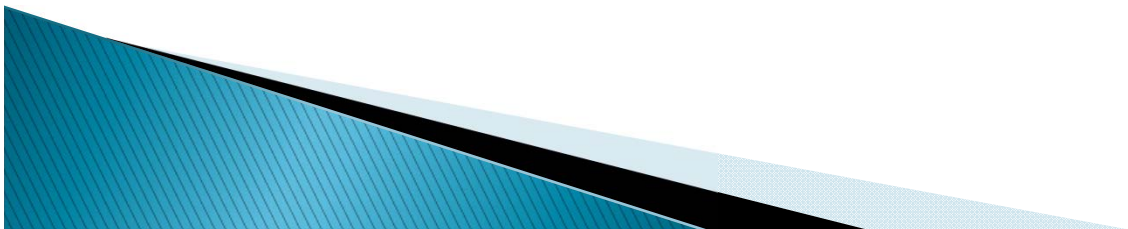
\$0.559568 per \$100 of property value

PROPOSED TAX RATE:

\$0.55 per \$100 of property value

M&O rate: \$0.462630

I&S rate: \$0.087370



TAX LEVY CALCULATION:

<u>2018 Certified Values:</u>	\$5,064,552,163
Less: Tax increment financing values	-\$188,070,738
Plus: 100% under ARB review values	+\$107,744,031
Less: Tax ceilings (65 or older or disabled)	<u>-\$252,714,647</u>
<u>2018 Total Taxable Value</u>	\$4,731,510,809

TAX LEVY W/ EFFECTIVE RATE:

$\$0.520993 \times \$4,731,510,809 / 100 =$	\$24,650,840
Plus tax on frozen properties	<u>+ 923,408</u>
	\$25,574,248

TAX LEVY W/ PROPOSED RATE:

$\$0.55 \times \$4,731,510,809 / 100 =$	\$26,023,309
Plus tax on frozen properties	<u>+ 923,408</u>
	\$26,946,717



	Effective Rate (\$0.520993/\$100)	Proposed Rate (\$0.55/\$100)
Levy Gen Fund (M&O)	\$21,285,472	\$22,666,109
Levy Debt Svc (I&S)	<u>\$4,288,776</u>	<u>\$4,280,609</u>
	\$25,574,248	\$26,946,718
 General Fund:	 \$.43363/\$100	 \$0.46263/\$100
Revenues	\$ 52,874,197	\$ 54,254,834
Expenses	<u>- 54,962,945</u>	<u>- 54,962,945</u>
Net	(\$2,088,748)	(\$708,111)
 Debt Service Fund:	 \$.08737/\$100	 \$0.08737/\$100
Revenues	\$5,541,507	\$5,533,340
Expenses	<u>- 5,449,068</u>	<u>- 5,449,068</u>
Net	\$92,439	\$84,272



EFFECTIVE TAX RATE:

\$0.520993 per \$100 of property value

ROLLBACK TAX RATE:

\$0.559568 per \$100 of property value

PROPOSED TAX RATE:

\$0.55 per \$100 of property value

1st Public Hearing on the proposed rate:

August 22, 2018

2nd Public Hearing on the proposed rate:

September 5, 2018

