NOTICE OF SPECIAL CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

MONDAY, OCTOBER 9, 2017

5:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, October 9, 2017 at 5:00 P.M., City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1.0 Call to Order

2.0 Public Comments and Receipt of Petitions *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.]*

3.0 New Business:

3.1 Adopt $0.111455 as the Portion of the Tax Rate to Fund the Maintenance and Operations (M&O) Fund for Fiscal Year 2017-2018

3.2 Adopt $0.230000 as the Portion of the Tax Rate to Fund the Interest and Sinking (Debt Service) Fund for Fiscal Year 2017-2018

3.3 Adopt, on First Reading, Ordinance No. 2017-33, an Ordinance of the City of Tomball, Texas, Setting the Total Tax Levy of $0.341455/$100 of taxable value for the Year 2017 on all Real and Personal Property located in the City of Tomball, Texas; Providing for Penalty, Interest, and Additional Penalty on Taxes

Not Timely Paid; and Providing Other Matters Relating to the Subject

3.4 Announce that Final Voting on the Proposed 2017 Tax Rate will be held at the Regular Council Meeting on October 16, 2017 at 6:00 p.m.

4.0 Adjournment

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 28th day of September 2017 by 4:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Doris Speer

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Doris Speer
City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Special City Council
Agenda Item
Data Sheet

Meeting Date: October 9, 2017

Topic:
Adopt $0.111455 as the Portion of the Tax Rate to Fund the Maintenance and Operations (M&O) Fund for Fiscal Year 2017-2018

Background:
During the budget process, $0.111455 was the recommended allocation of the total tax rate of $0.341455 to be used to fund operations and maintenance expenditures in the General Fund. The actual ordinance to approve the total tax rate of $0.341455 will appear later on the agenda.

This item is only to adopt the allocation of $0.111455 to fund the Maintenance and Operations Fund of the City's Budget for Fiscal Year 2017-2018, as required by State law.

Origination:
City Secretary

Recommendation:
Adopt $0.111455 as the portion of the tax rate to fund maintenance and operations for FY 2017-2018

Party(ies) responsible for placing this item on agenda:
City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Special City Council
Agenda Item
Data Sheet

Meeting Date: October 9, 2017

Topic:

Adopt $0.230000 as the Portion of the Tax Rate to Fund the Interest and Sinking (Debt Service) Fund for Fiscal Year 2017-2018

Background:

During the budget process and in the published Effective Tax Rate and Rollback calculations, $0.230000 was the recommended allocation of the total tax rate of $0.341455 to be used to fund the payment of the City's tax-supported debt. The actual ordinance adopting the tax rate for the City of Tomball for FY 2017-2018 will appear later on the agenda.

This item is only to adopt the allocation of $0.230000 as the designated portion of the tax rate to the support the Interest and Sinking (Debt Service) Fund for Fiscal Year 2017-2018, as required by state law.

Origination:

City Secretary

Recommendation:

Adoption of $0.230000 as the portion of the tax rate to support the Interest and Sinking (Debt Service) Fund for FY 2017-2018.

Party(ies) responsible for placing this item on agenda:

City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

Special City Council
Agenda Item
Data Sheet

Meeting Date: October 9, 2017

Topic:

Adopt, on First Reading, Ordinance No. 2017-33, an Ordinance of the City of Tomball, Texas, Setting the Total Tax Levy of $0.341455/$100 of taxable value for the Year 2017 on all Real and Personal Property located in the City of Tomball, Texas; Providing for Penalty, Interest, and Additional Penalty on Taxes Not Timely Paid; and Providing Other Matters Relating to the Subject

Background:

Previous items on the agenda approved the allocation of the proposed tax rate for Fiscal Year 2017-2018 (Tax Year 2017) in the amounts of $0.230000 for the Interest & Sinking Fund and $0.111455 for the Maintenance and Operations Fund, for a total tax rate of $0.341455.

In accordance with Sec. 26.05. Tax Rate. (b)(1)(B), the following statement: "The Tax Rate will effectively be raised by 0.26 Percent and will raise taxes for Maintenance and Operations on a $100,000 Home by Approximately $7.94." has been included in Ordinance No. 2017-33.

Please note that the motion to adopt Ordinance No. 2017-33 must include: "I move that the property tax rate be increased by the adoption of a tax rate of $0.341455/$100, which is effectively a 0.26% increase in the tax rate.", then the motion to adopt the Ordinance.

Adoption of Ordinance No. 2017-33 on second reading will be presented at the Regular City Council Meeting on October 16, 2017 to complete the process to levy the 2017 tax rate.

Origination:

Doris Speer, City Secretary

Recommendation:

Adopt Ordinance No. 2017-33 on First Reading

Party(ies) responsible for placing this item on agenda:

City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance No. 2017-33

Notice of Effective Tax Rate for 2017

ORDINANCE NO. 2017-33

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, SETTING THE TAX LEVY OF $0.341455 FOR THE YEAR 2017 ON ALL TAXABLE REAL AND PERSONAL PROPERTY LOCATED IN THE CITY OF TOMBALL, TEXAS; PROVIDING FOR PENALTY, INTEREST, AND ADDITIONAL PENALTY ON TAXES NOT TIMELY PAID; AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT.

* * * * * * * * * * *

WHEREAS, pursuant to the provisions of the Constitution and Laws of the State of Texas, the City Council of the City of Tomball, Texas, is vested with the power to levy, assess and collect an annual tax upon all taxable real and personal property located within the City Limits, and said power allowing for the granting of homestead exemptions for all City of Tomball property owners sixty-five years of age and over or who are disabled; and

WHEREAS, pursuant to the Charter of the City of Tomball, this ordinance has been read two (2) times and considered at two (2) sessions of the City Council, and published in the City's official newspaper after the first reading; and

WHEREAS, the Council is required to set a tax rate, expressed as a rate per hundred-dollar valuation of said property, located in the City of Tomball, January 1, 2017; and

WHEREAS, Section 26.05 of the Texas Property Tax Code provides that before the later of September 30th or the 60th day after the date the certified appraisal roll is received by the taxing unit, the governing body of each taxing unit shall adopt a tax rate for the current tax year; and

WHEREAS, such Section further provides that where the tax rate consists of two components (one which will impose the amount of taxes needed to pay the unit's debt service and the other which will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year), each of the components must be approved separately; and

WHEREAS, the proposed tax rate for the current tax year of the City of Tomball, Texas, consists of two components, a tax rate of $0.230000 cents per $100.00 dollars of taxable value for the purpose of paying the accruing interest and to provide a sinking fund for payment of the indebtedness of the City, and a tax rate of $0.111455 cents per $100.00 dollars of taxable value for the purpose of funding the maintenance and operation expenditures of the City for the next fiscal year; and

WHEREAS, City Council has approved, by separate motions, the tax rates heretofore specified for each of said components; and

WHEREAS, all notices and hearings required by law as a prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held;

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

Section 1. The facts and recitations set forth in the preamble of this Ordinance are found to be true and correct and are hereby adopted, ratified, and confirmed.

Section 2. That said tax levied as aforesaid, based upon valuations established by Harris County Appraisal District, will be sufficient to meet the requirements of the City for the Budget Year 2017-2018.

Section 3. There is hereby levied, for the tax year 2017, to fund the City's fiscal year 2017-2018 municipal budget, an ad valorem tax at the total rate of thirty-four and one thousand four hundred fifty-five ten-thousandths cents ($0.341455) on each One Hundred Dollars ($100.00) of assessed valuation on all property, real, personal, and mixed, within the corporate limits of the City, upon which an ad valorem tax is authorized by law to be levied by the City of Tomball, Texas. All such taxes shall be assessed and collected in current money of the United States of America.

Section 4. Of such total tax levied in Section 2 hereof, $0.111455 is levied to fund maintenance and operation expenditures of the City for the fiscal year 2017-2018. Of the total tax levied in Section 2 hereof, $0.230000 is levied for the purpose of paying the interest on bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City of Tomball, Texas, including the various installments of principal due on the serial bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City as such installments shall respectively mature, in the fiscal year 2017-2018.

Section 5. This year's levy to fund both maintenance and operations expenditures and interest & sinking expenditures exceeds last year's maintenance and operations tax levy and interest & sinking tax levy. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS AND FOR INTEREST & SINKING THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.26 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $7.94.**

GENERAL FUND - TO FUND MAINTENANCE AND OPERATION EXPENDITURES OF THE CITY:	$0.111455
INTEREST & SINKING - FOR DEBT SERVICE:	$0.230000

With reference to the tax rate of $0.230000 for the Interest and Sinking Fund for bonded indebtedness, this rate, representing 67.3588% of the total $0.341455 tax, shall apply to the gross amount of current taxes to be collected.

Section 6. All ad valorem taxes levied hereby, in the total amount of $0.341455 on each One Hundred Dollars ($100.00) of assessed valuation, as reflected by Sections 2 and 3 hereof, shall be due and payable on or before January 31, 2018. All ad valorem taxes due the City of Tomball, Texas, and not paid on or before January 31st following the year for which they were levied, shall bear penalty and interest, and if not paid before July 1st shall incur an additional penalty of twenty percent (20%), as prescribed in the Texas Property Tax Code.

Section 7. All ordinances and parts of ordinances inconsistent or in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. If any provision of this Ordinance is found to be invalid or unconstitutional by a court of competent jurisdiction, the same shall not invalidate or impair the validity, force, or effect of any other provision of this Ordinance.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 9TH DAY OF OCTOBER 2017.

COUNCILMAN FORD	______
COUNCILMAN STOLL	______
COUNCILMAN DEGGES	______
COUNCILMAN TOWNSEND	______
COUNCILMAN KLEIN QUINN	______

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 16TH DAY OF OCTOBER 2017.

COUNCILMAN FORD	______
COUNCILMAN STOLL	______
COUNCILMAN DEGGES	______
COUNCILMAN TOWNSEND	______
COUNCILMAN KLEIN QUINN	______

____
GRETCHEN FAGAN, MAYOR
City of Tomball

ATTEST:

____
DORIS SPEER, City Secretary
City of Tomball

2017 Property Tax Rates in City of Tomball

This notice concerns the 2017 property tax rates for City of Tomball. It presents information about three tax rates. Last year's tax rate is the actual tax rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers start rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per $100 of property value.

Last year's tax rate:

Last year's operating taxes	$2,007,951
Last year's debt taxes	$4,143,634
Last year's total taxes	$6,151,585
Last year's tax base	$1,801,580,003
Last year's total tax rate	$0.341455/$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	$6,140,471
÷ This year's adjusted tax base (after subtracting value of new property)	$1,802,916,074
=This year's effective tax rate	$0.340585/$100

(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent healthcare expenditures)	$16,160,368
÷ This year's adjusted tax base	$1,802,916,074
=This year's effective operating rate	$0.896346/$100
x 1.08=this year's maximum operating rate	$0.968053/$100
+ This year's debt rate	$0.202724/$100
= This year's total rollback rate	$1.170777/$100
-Sales tax adjustment rate	$0.766846/$100
=Rollback tax rate	$0.403931/$100

Statement of Increase/Decrease

If City of Tomball adopts a 2017 tax rate equal to the effective tax rate of $0.340585 per $100 of value, taxes would increase compared to 2016 taxes by $135,650.

Schedule A - Unencumbered Fund Balance

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund	12,194,349
Special Revenue Funds	1,549,375

Schedule B - 2017 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
Series 2010 Refunding Bonds	285,000	3,135	0	288,135
Series 2011 Refunding Bonds	479,250	76,016	0	555,266
2015 Lease - Fire Truck	73,463	21,715	0	95,178
Series 2012 Certificates of Obligation	620,000	401,938	0	1,021,938
Series 2013 Refunding Bonds	520,000	41,578	0	561,578

Series 2013 Certificates of Obligation	370,000	163,613	0	533,613
Series 2017 Certificates of Obligation	975,000	735,287	0	1,710,287

Total required for 2017 debt service	$4,765,995
- Amount (if any) paid from Schedule A	$0
- Amount (if any) paid from other resources	$0
- Excess collections last year	$1,023,674
= Total to be paid from taxes in 2017	$3,742,321
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2017	$0
= Total debt levy	$3,742,321

Schedule C - Expected Revenue from Additional Sales Tax

In calculating its effective and rollback tax rates, the unit estimated that it will receive $14,156,045 in additional sales and use tax revenues.

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 1001 Preston, Houston, TX 77002.

Name of person preparing this notice: Ann Harris Bennett
Title: Harris County Tax Assessor-Collector
Date Prepared: 09/05/2017

Special City Council
Agenda Item
Data Sheet

Meeting Date: October 9, 2017

Topic:
Announce that Final Voting on the Proposed 2017 Tax Rate will be held at the Regular Council Meeting on October 16, 2017 at 6:00 p.m.

Background:
The notice of effective tax rate and the notice of public hearings on tax increase have been published in the official newspaper as required (see attached).

Following each public hearing, the Mayor and Council must announce the dates and times at which the vote on the proposed tax rate will take place (Chapter 26, Tax Code). Announcements regarding the dates for voting on the tax levy were made following each public hearing on September 25 and October 2, 2017.

Tonight's announcement of the date for the final vote is solely for the purpose of transparency.

Origination:
City Secretary

Recommendation:
N/A

Party(ies) responsible for placing this item on agenda:
City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Notice of Vote on 2017 Tax Rate

NOTICE OF TAX REVENUE INCREASE

The CITY OF TOMBALL, TEXAS
(name of taxing unit)

conducted public hearings on SEPTEMBER 25,2017 (date of first hearing) and OCTOBER 2, 2017 (date of second hearing) on a proposal to

increase the total tax revenues of the CITY OF TOMBALL, TEXAS (name of taxing unit) from properties

on the tax roll in the preceding year by 0.26 percent.
(percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax rate calculated under this chapter)

The total tax revenue proposed to be raised last year at last year's tax rate of $0.341455
(insert tax rate for the preceding year)

for each $100 of taxable value was $ 6,151,585 .
(insert total amount of taxes imposed in the preceding year)

The total tax revenue proposed to be raised this year at the proposed tax rate of $0.341455
(insert proposed tax rate)

for each $100 of taxable value, excluding tax revenue to be raised from new property added to the tax roll this

year, is $ 6,008,999 .
(insert amount computed by multiplying proposed tax rate by the difference between current total value and new property value)

The total tax revenue proposed to be raised this year at the proposed tax rate of $0.341455
(insert proposed tax rate)

for each $100 of taxable value, including tax revenue to be raised from new property added to the tax roll this

year, is $ 6,156,147 .
(insert amount computed by multiplying proposed tax rate by current total value)

The CITY OF TOMBALL, TEXAS is scheduled to vote on the
(governing body of the taxing unit)

tax rate that will result in that tax increase at a public meeting to be held on OCTOBER 9 & OCTOBER 16, 2017
(date of meeting)

at CITY HALL, 401 MARKET STREET, TOMBALL, TEXAS 77375 .
(location of meeting, including mailing address)

at 5:00 P.M. AND 6:00 P.M., RESPECTIVELY .
(time of meeting)

The TOMBALL CITY COUNCIL proposes to use the increase in total tax revenue for the purpose of
(governing body of the taxing unit)

GENERAL FUND AND DEBT SERVICE EXPENDITURES .
(description of purpose of increase)