



AGENDA
WATAUGA CITY COUNCIL
SPECIAL MEETING
MONDAY, AUGUST 5, 2024
CITY HALL COUNCIL CHAMBER, 7105 WHITLEY ROAD
6:30 PM

This notice is posted pursuant to the Texas Open Meetings Act. Notice is hereby given that a **Special City Council Meeting** of the City of Watauga, Texas will be held at which time the following subjects will be discussed and may be acted upon.

CALL TO ORDER (Council Members, City Staff, Members of the Public - when speaking during the meeting please speak directly into the microphones on the dais or podium)

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE United States and Texas Flags

ANNOUNCEMENTS

PRESENTATIONS

PUBLIC COMMENT This is an opportunity for citizens to address the Council on items not posted on the current meeting agenda. Only those who have submitted a proper "Request to Speak Form" Shall be permitted to speak. Citizens should provide their name and address for the record and will have no more than 3 minutes to speak. If representing an organization or group, the speaker should identify who they represent. Those wishing to speak are reminded 1). All comments are to be directed to the Council. 2) Be respectful of others. 3) No profanity permitted. 4) Violators will be removed from the premises. No discussion by the Council or Staff is allowed except to correct factual inaccuracies or request that the item be placed on a future agenda.

PUBLIC TESTIMONY FOR ACTION ITEMS This is an opportunity for citizens to address the Council on current agenda action items (excludes presentations and reports). Only those persons who have submitted a proper “Request to Speak Form” will be allowed to speak. Citizens will be required to state their name and address for the record. They have up to 3 minutes to speak, and their comments must be germane to the item. If speaking for an organization or group, the speaker should identify the group represented. Council members may ask questions or discuss the item with the citizens directly.

REPORTS

CONSENT AGENDA All of the items on the consent agenda are considered to be self-explanatory by the Council and will be enacted with one motion, one second, and one vote. There will be no separate discussion of these items. Any council member wishing to pull an item may do so.

PUBLIC HEARINGS

ACTION ITEMS

1. Consider action and approval of a resolution accepting the Certified Tax Roll for Tax Year 2024 from the Tarrant Appraisal District as certified by the Chief Appraiser
Sandra Gibson, Interim City Manager and Director of Finance
2. Discuss and consider action on setting a Public Hearing on the FY2024-2025 Proposed Budget for August 12, 2024 at 6:30 p.m.
Sandra Gibson, Interim City Manager and Director of Finance
3. Discuss and consider action and take a record vote on the proposed tax rate of \$0.5702 per \$100 valuation for the FY2024-2025 Fiscal Year
Sandra Gibson, Interim City Manager and Director of Finance
4. Discuss and consider action on setting the Public Hearing on the Proposed Tax Rate of \$0.5702 per \$100 valuation for August 26, 2024, at 6:30 p.m.
Sandra Gibson, Interim City Manager and Director of Finance
5. Discuss and consider action on setting the date of August 26, 2024 to adopt the proposed tax rate of \$0.5702 per 100 valuation for the 2024-2025 Fiscal Year
Sandra Gibson, Interim City Manager and Director of Finance

EXECUTIVE SESSION The City Council will recess its open meeting and reconvene in executive session to discuss the following items pursuant to the below referenced section(s) of the Texas Government Code:

RECONVENE

The City Council will return to open session in the City Council Chamber for possible discussion and action as a result of the Executive Session as follows:

ITEMS OF EXECUTIVE SESSION DELIBERATION

ITEMS FOR FUTURE AGENDAS

ADJOURNMENT

Meeting Notices and Reservation of Rights

The City Council may retire to executive session any time between the meeting's opening and adjournment for the purpose of consultation with legal counsel pursuant to Chapter 551.071 of the Texas Government Code; discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code if the requisite information is otherwise posted; deliberation regarding real property pursuant to Chapter 551.072 of the Texas Government Code; deliberation regarding economic development negotiations pursuant to Chapter 551.087 of the Texas Government Code; and/or deliberation regarding the deployment, or specific occasions for implementation of security personnel or devices pursuant to Chapter 551.076 of the Texas Government Code (as applicable) when determined necessary by the [City Council/Board/Commission/Committee] to address a subject matter on the agenda. Action, if any, will be taken in open session.

Attendance by Other Elected or Appointed Officials: It is anticipated that members of other governmental bodies, and/or city council, boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a possible meeting of the other body, board, commission and/or committee, whose members may be in attendance, if such numbers constitute a quorum. The members of the city council, boards, commissions and/or committees may be permitted to participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that city council, body, board, commission or committee subject to the Texas Open Meetings Act.

NOTICE

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 CONTACT THE CITY SECRETARY'S OFFICE AT (817) 514-5825, OR FAX (817) 514-3625.

I, Linda Proskey, City Secretary for the City of Watauga, hereby certify that this agenda was posted on the bulletin boards at City Hall, 7105 Whitley Road, Watauga, Texas, on August 2, 2024, before 5:00 p.m., in accordance with Chapter 551 of the Texas Government Code.

/S/ Linda Proskey
City Secretary





AGENDA MEMORANDUM

DATE: July 29, 2024

TO: Honorable City Council Members

FROM: Sandra Gibson, Interim City Manager and Director of Finance

THROUGH: Sandra Gibson, Interim City Manager and Director of Finance

SUBJECT: Consider action and approval of a resolution accepting the Certified Tax Roll for Tax Year 2024 from the Tarrant Appraisal District as certified by the Chief Appraiser

BACKGROUND/INFORMATION:

Section 26.04 of the Texas Tax Code requires the appraisal roll for a taxing unit be submitted to the governing body each year by August 1 or as soon thereafter as practicable. This information shall include the total appraised, assessed, and taxable values for all properties within the City of Watauga's jurisdiction. In addition, this information includes the total taxable value of new property that did not exist on the previous year's tax roll.

The attached information has been supplied by the Tarrant Appraisal District (TAD) and certified by its Chief Appraiser. Attachment B includes a description of the data on the tax roll that has been provided by TAD. It reflects the taxable values of all properties on the City of Watauga tax roll as of July 25, 2024. The information from this certified roll is used to calculate the property tax revenues in the Fiscal Year 2024-2025 proposed budget. Attachment B is a reconciliation of how the information on how the tax roll relates to the proposed tax rate.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Council review and approve the resolution accepting the Certified Tax Roll for Tax Year 2024.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Resolution Tax Assessment Roll 2024
2. Certified Appraisal Roll 2024
3. Attachment A: Explanation for Certified Totals Report
4. Attachment B: Summary of Property Tax Revenue & Distribution 2024-2025



AGENDA MEMORANDUM

REVIEWED BY:

David Berman, City Attorney

Sandra Gibson, Interim City Manager and Director of Finance

Linda Proskey, City Secretary

Approved as to form for inclusion on Agenda

Approved - 8/1/2024

Approved - 8/2/2024

Final Approval - 8/2/2024

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 2024-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
WATAUGA, TEXAS TO ACCEPT THE 2024 TARRANT
APPRAISAL DISTRICT CERTIFIED APPRAISAL ROLL
PROVIDING FOR REPEAL; PROVIDING FOR
SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 26.04(b) of the Texas Property Tax Code, provides that the tax assessor for each taxing unit shall submit the unit's tax appraisal roll to the government body; and

WHEREAS, the Tarrant Appraisal District has provided the City of Watauga with a Certified Appraisal Roll for the tax year 2024; and

WHEREAS, the City Council of the City of Watauga desires to accept the 2024 Tarrant Appraisal District Certified Appraisal Roll pursuant to Section 26.04(b) of the Texas Property Tax Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATAUGA, TEXAS that:

I.

The facts and recitations set forth in the preamble of this Resolution are hereby found to be true and correct and adopted herein for all purposes.

II.

The 2024 Certified Appraisal Roll for the City of Watauga as provided and certified by the Tarrant Appraisal District, is hereby accepted by the City Council of the City of Watauga.

III.

This Resolution shall be and is hereby cumulative of all other resolutions of the City of Watauga, Texas and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

IV.

If any section, subsection, sentence, clause or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

V.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the City Council of the City of Watauga, Texas, and upon application of law and in accordance with Section 3.13 of the Charter of the City of Watauga, Texas.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas this the 5th day of August, 2024.

APPROVED:

ARTHUR L. MINER, MAYOR

ATTEST:

LINDA PROSKEY, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

DAVID BERMAN, CITY ATTORNEY



Joe Don Bobbitt, Chief Appraiser

CITY OF WATAUGA 031

Appraisal Roll Information Valuation Summary as of July 25, 2024

2024 Certified Property Information

I, Joe Don Bobbitt, Chief Appraiser for the Tarrant Appraisal District, to the best of my ability do solemnly swear that the attached is that portion of the appraisal roll for the Tarrant Appraisal District which lists property taxable by the above-named entity and constitutes their Certified Appraisal Roll.

APPRAISED VALUE (Considers Value Caps) -----> \$ 2,508,223,649

Number of Accounts: 20,712

Absolute Exemptions	\$ 83,184,496
Cases before ARB – Appraised Value	\$ 44,954,330
Incompletes	\$ 18,513,451
Partial Exemptions	\$ 98,703,320
In Process	\$ 65,393

NET TAXABLE VALUE -----> \$ 2,262,802,659

Appraised Value minus Absolute Exemption amount, minus Cases before ARB amount, minus Incompletes, minus Partial Exemptions, minus the In Process accounts equals the Net Taxable Value.

ESTIMATED NET TAXABLE VALUE -----> \$ 2,303,104,958

Including suggested values to be used for pending ARB accounts (see page two), Incompletes (see page three) and In Process accounts (see page four).

Joe Don Bobbitt, Chief Appraiser

Tarrant Appraisal District
2500 Handley Ederville Road - Fort Worth, Texas 76118 - 817.284.0024



Joe Don Bobbitt, Chief Appraiser

CITY OF WATAUGA 031

Appraisal Roll Information Valuation Summary as of July 25, 2024

2024 Appraisal Review Board Information

Section 25.01 (c) of the State Property Tax code directs the Chief Appraiser to prepare a list of all properties under protest with the Appraisal Review Board and pending disposition at the time of value roll certification.

The values below are from the ARB roll and are not included in the totals by the Chief Appraiser and represented on page 1 of this report.

\$ 44,954,330

Total appraised value of properties under protest.

\$ 44,457,330

Net taxable value of properties under protest.

\$ 31,120,131

Estimated minimum taxable value for the same properties.

This value should be added to the net taxable value on page one.

Tarrant Appraisal District
2500 Handley Ederville Road - Fort Worth, Texas 76118 - 817.284.0024



Joe Don Bobbitt, Chief Appraiser

CITY OF WATAUGA 031

Appraisal Roll Information Valuation Summary as of July 25, 2024

2024 Incomplete Property Information

Section 26.01(d) of the State Property Tax Code directs the Chief Appraiser to prepare a list of all properties that are not on the appraisal roll and not included on the ARB roll.

The values below are from the incomplete property listing and are not included in the totals by the Chief Appraiser and represented on page 1 of this report.

The value of incomplete properties are subject to change and are also subject to appeal before the Appraisal Review Board.

\$ 18,513,451

Total appraised value of incomplete properties

\$ 13,117,383

Net taxable value of properties under of incomplete properties.

\$ 9,182,168

Estimated minimum taxable value for the same properties.

This value should be added to the net taxable value on page one

Tarrant Appraisal District
2500 Handley Ederville Road - Fort Worth, Texas 76118 - 817.284.0024



Joe Don Bobbitt, Chief Appraiser

CITY OF WATAUGA 031

Appraisal Roll Information Valuation Summary as of July 25, 2024

2024 In Process Property Information

The values below are from In Process properties and are not included in the totals by the Chief Appraiser and represented on page 1 of this report.

\$ 65,393

Total appraised value of In Process properties

\$ 0

Estimated net taxable value of In Process properties.

This value should be added to the net taxable value on page one.

Tarrant Appraisal District
2500 Handley Ederville Road - Fort Worth, Texas 76118 - 817.284.0024



**Tarrant Appraisal District
CITY OF WATAUGA 031
Totals for Roll Instance July Roll
2024**

Value Detail	Market	Appraised	Counts	Taxable
Real Estate Residential	2,183,329,104	2,035,937,740	8,275	1,940,435,483
Real Estate Commercial	394,924,207	390,350,539	313	307,788,375
Real Estate Industrial	0	0	0	0
Personal Property Commercial	81,645,769	81,645,769	750	71,970,134
Personal Property Industrial	2,211	2,211	1	0
Mineral Lease Properties	285,612	285,612	11,372	181,602
Agricultural Properties	1,596,266	1,778	1	1,778
Total Value	2,661,783,169	2,508,223,649	20,712	2,320,377,372
Pending Detail	Market	Appraised	Counts	Taxable
Cases Before ARB	47,189,060	44,954,330	129	44,457,330
Incomplete Accounts	20,195,179	18,513,451	532	13,117,383
In Process Accounts	65,393	65,393	25	0
Certified Value	2,594,333,537	2,444,690,475	20,026	2,262,802,659

CITY OF WATAUGA

Exemption Detail	Market	Exempt	Counts	Appraised
Absolute Public	30,677,321	30,677,321	63	30,677,321
Absolute Charitable	4,001,506	4,001,506	6	4,001,506
Absolute Miscellaneous	0	0	0	0
Absolute Religious & Private Schools	48,513,650	48,505,669	23	48,513,650
Indigent Housing	0	0	0	0
Nominal Value	134,080	134,080	3,796	134,080
Disabled Vet 10-29%	2,944,544	65,000	13	2,685,973
Disabled Vet 30-49%	3,076,563	82,500	11	2,825,170
Disabled Vet 50-69%	5,252,525	180,000	18	4,891,004
Disabled Vet 70-99%	34,847,148	1,500,000	125	31,031,915
Disabled Vet 100%	17,439,716	14,302,434	57	15,672,434
Surviving Spouse Disabled Vet 100%	4,122,505	2,432,096	15	3,423,262
Donated Disabled Vet	0	0	0	0
Surviving Spouse Donated Disabled Vet	0	0	0	0
Surviving Spouse KIA Armed Service Member	270,922	270,922	1	270,922
Transfer Base Value for SS Disable Vet	291,406	86,000	1	212,295
Inventory	0	0	0	0
Homestead State Mandated-General	0	0	0	0
Homestead State Mandated-Over 65	0	0	0	0
Homestead State Mandated-Disabled Person	0	0	0	0
Homestead State Mandated-Disabled Person Over 65	0	0	0	0
Homestead Local Option-General	0	0	0	0
Homestead Local Option-Over 65	466,627,138	69,069,046	1,750	408,336,464
Homestead Local Option-Disabled Person	0	0	0	0
Homestead Local Option-Disabled Person Over 65	18,694,349	2,766,668	70	16,016,422
Solar & Wind Powered Devices	2,240,756	1,162,093	6	2,172,478
Pollution control	1,041,301	72,955	2	1,041,301
Community Housing Development	0	0	0	0
Childcare Facilities Exemption 11.36	0	0	0	0
Abatements	0	0	0	0
Historic Sites	0	0	0	0
Foreign Trade Zone	0	0	0	0
Misc Personal Property (Vehicles, etc.)	6,865,910	6,579,526	28	6,865,910
Surviving Spouse of First Responder KLD	0	0	0	0
Transfer Base Value SS KIA Armed Service Member	0	0	0	0
Transfer Base Value SS of First Responder KLD	0	0	0	0
Property Damaged by Disaster	0	0	0	0
Total Exemptions		181,887,816	5,985	

CITY OF WATAUGA

Deferrals	Market	Deferred	Counts	Appraised
Ag Deferrals	0	0	0	0
Scenic Deferrals	0	0	0	0
Public Access Airports	0	0	0	0
Other Deferrals	0	0	0	0
Total Deferrals	0	0	0	0

CITY OF WATAUGA

New Exemptions	Market	Exempt	Counts	Appraised
Absolute Public	0	0	0	0
Absolute Charitable	0	0	0	0
Absolute Miscellaneous	0	0	0	0
Absolute Religious & Private Schools	0	0	0	0
Indigent Housing	0	0	0	0
Nominal Value	0	0	0	0
Disabled Vet 10-29%	0	0	0	0
Disabled Vet 30-49%	0	0	0	0
Disabled Vet 50-69%	952,557	30,000	3	928,903
Disabled Vet 70-99%	1,989,961	84,000	7	1,924,816
Disabled Vet 100%	740,737	728,737	2	740,737
Surviving Spouse Disabled Vet 100%	0	0	0	0
Donated Disabled Vet	0	0	0	0
Surviving Spouse Donated Disabled Vet	0	0	0	0
Surviving Spouse KIA Armed Service Member	0	0	0	0
Transfer Base Value for SS Disable Vet	0	0	0	0
Inventory	0	0	0	0
Homestead State Mandated-General	0	0	0	0
Homestead State Mandated-Over 65	0	0	0	0
Homestead State Mandated-Disabled Person	0	0	0	0
Homestead State Mandated-Disabled Person Over 65	0	0	0	0
Homestead Local Option-General	0	0	0	0
Homestead Local Option-Over 65	11,241,743	1,480,000	37	10,160,752
Homestead Local Option-Disabled Person	0	0	0	0
Homestead Local Option-Disabled Person Over 65	767,386	106,668	3	644,690
Solar & Wind Powered Devices	536,747	2	2	492,579
Pollution control	0	0	0	0
Community Housing Development	0	0	0	0
Childcare Facilities Exemption 11.36	0	0	0	0
Abatements	0	0	0	0
Historic Sites	0	0	0	0
Foreign Trade Zone	0	0	0	0
Misc Personal Property (Vehicles, etc.)	0	0	0	0
Surviving Spouse of First Responder KLD	0	0	0	0
Transfer Base Value SS KIA Armed Service Member	0	0	0	0
Transfer Base Value SS of First Responder KLD	0	0	0	0
Property Damaged by Disaster	0	0	0	0
Total New Exemptions		2,429,407	54	

CITY OF WATAUGA

New Construction		New Value	Counts	Taxable	
All Real Estate		14,723,676	53	14,363,048	
New business in new improvement		54,941	1	54,941	
Total New Construction		14,778,617	54	14,417,989	
New Construction in Residential		11,398,606	49	11,037,978	
New Construction in Commercial		3,325,070	4	3,325,070	
	Market	Appraised	Counts	Taxable	
Annexation	0	0	0	0	
Deannexation	0	0	0	0	
Tax Ceiling		Market	Taxable	Counts	Ceiling Amount
Over 65	466,627,138	330,775,111	1,750	981,835.00	
Disable Person	19,908,338	17,405,147	73	62,268.00	
Disabled Person Over 65	18,335,917	12,895,322	69	43,861.00	
Total Ceilings	504,871,393	361,075,580	1,892	1,087,964.00	
New Over 65 Ceilings	13,828,793	0	47	0.00	
New Disabled Person Ceilings	253,345	0	1	0.00	
New Disabled Person Over 65 Ceilings	0	0	0	0	
Capped Accounts		Market	Cap Loss	Counts	Appraised
Cap Total	1,131,283,264	144,359,643	4,029	986,923,621	
New Cap this Year	19,639,274	1,802,592	68	17,836,682	
Circuit Breaker Total	43,457,470	5,283,419	103	38,174,051	
New Circuit Breaker this Year	43,457,470	5,283,419	103	38,174,051	
All Exemptions by Group		Market	Exempt	Counts	Appraised
Residential	515,375,297	92,209,688	1,931	452,340,146	
Commercial	90,843,868	89,581,157	130	90,843,868	
Industrial	2,211	2,211	1	2,211	
Mineral Lease	94,760	94,760	3,775	94,760	
Agricultural	0	0	0	0	
Exemption Total		181,887,816	5,837		
	Market	Exempt	Counts	Appraised	
Prorated Absolute	323,663	315,682	2	323,663	
Multi-Prorated Absolute	0	0	0	0	
		Current Taxable	Counts	Appraised	
Value Loss - 25.25(d)		0	0	0	
	Average Market	Average Appraised	Counts	Average Taxable	
Averages for Value Single Family	267,784	249,561	8,001	238,062	



Entity Exemptions Report 2024 JULY ROLL

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031 CITY OF WATAUGA

Exemption Type	Certified Loss	Count	ARB Loss	Count	Incomplete Loss	Count	Total Loss	Count
Abatements	\$0	0	\$0	0	\$0	0	\$0	0
Absolute Charitable	\$4,001,506	6	\$0	0	\$2,675,569	10	\$6,677,075	16
Absolute Miscellaneous	\$0	0	\$0	0	\$0	0	\$0	0
Absolute Public	\$30,677,321	63	\$0	0	\$860,314	19	\$31,537,635	82
Absolute Religious & Private Schools	\$48,505,669	23	\$0	0	\$0	0	\$48,505,669	23
Childcare Facilities Exemption 11.36	\$0	0	\$0	0	\$0	0	\$0	0
Community Housing Development	\$0	0	\$0	0	\$0	0	\$0	0
Disabled Vet 100%	\$14,302,434	57	\$0	0	\$0	0	\$14,302,434	57
Disabled Vet 10-29%	\$65,000	13	\$5,000	1	\$0	0	\$70,000	14
Disabled Vet 30-49%	\$82,500	11	\$0	0	\$0	0	\$82,500	11
Disabled Vet 50-69%	\$180,000	18	\$0	0	\$0	0	\$180,000	18
Disabled Vet 70-99%	\$1,500,000	125	\$12,000	1	\$0	0	\$1,512,000	126
Donated Disabled Vet	\$0	0	\$0	0	\$0	0	\$0	0
Foreign Trade Zone	\$0	0	\$0	0	\$0	0	\$0	0
Historic Sites	\$0	0	\$0	0	\$0	0	\$0	0
Homestead Local Option-Disabled Person	\$0	0	\$0	0	\$0	0	\$0	0
Homestead Local Option-Disabled Person Over 65	\$2,766,668	70	\$0	0	\$40,000	1	\$2,806,668	71
Homestead Local Option-General	\$0	0	\$0	0	\$0	0	\$0	0
Homestead Local Option-Over 65	\$69,069,046	1,750	\$480,000	12	\$80,000	2	\$69,629,046	1,764
Homestead State Mandated-Disabled Person	\$0	0	\$0	0	\$0	0	\$0	0
Homestead State Mandated-Disabled Person Over 65	\$0	0	\$0	0	\$0	0	\$0	0
Homestead State Mandated-General	\$0	0	\$0	0	\$0	0	\$0	0
Homestead State Mandated-Over 65	\$0	0	\$0	0	\$0	0	\$0	0
Indigent Housing	\$0	0	\$0	0	\$0	0	\$0	0
Inventory	\$0	0	\$0	0	\$0	0	\$0	0
Misc Personal Property (Vehicles, etc.)	\$6,579,526	28	\$0	0	\$639,696	8	\$7,219,222	36
Nominal Value	\$134,080	3,796	\$0	0	\$2,703	16	\$136,783	3,812
Pollution control	\$72,955	2	\$0	0	\$11,557	1	\$84,512	3
Property Damaged by Disaster	\$0	0	\$0	0	\$0	0	\$0	0
Solar & Wind Powered Devices	\$1,162,093	6	\$0	0	\$1,076,979	16	\$2,239,072	22
Surviving Spouse Disabled Vet 100%	\$2,432,096	15	\$0	0	\$0	0	\$2,432,096	15



Entity Exemptions Report 2024 JULY ROLL

031 CITY OF WATAUGA

Exemption Type	Certified Loss	Count	ARB Loss	Count	Incomplete Loss	Count	Total Loss	Count
Surviving Spouse Donated Disabled Vet	\$0	0	\$0	0	\$0	0	\$0	0
Surviving Spouse KIA Armed Service Member	\$270,922	1	\$0	0	\$0	0	\$270,922	1
Surviving Spouse of First Responder KLD	\$0	0	\$0	0	\$0	0	\$0	0
Transfer Base Value for SS Disable Vet	\$86,000	1	\$0	0	\$0	0	\$86,000	1
Transfer Base Value SS KIA Armed Service Member	\$0	0	\$0	0	\$0	0	\$0	0
Transfer Base Value SS of First Responder KLD	\$0	0	\$0	0	\$0	0	\$0	0
Subtotals ==>	\$181,887,816	5,985	\$497,000	14	\$5,386,818	73	\$187,771,634	6,072



Entity Exemptions Report 2024 JULY ROLL

031 CITY OF WATAUGA

Exemption Type	Certified Loss	Count	ARB Loss	Count	Incomplete Loss	Count	Total Loss	Count
Prorated Absolute (included in above Absolute categories)	\$315,682	2	\$0	0	\$0	0	\$315,682	2

Deferral Type	Certified Loss	Count	ARB Loss	Count	Incomplete Loss	Count	Total Loss	Count
Ag Deferrals	\$0	0	\$0	0	\$1,594,488	1	\$1,594,488	1
Scenic Deferrals	\$0	0	\$0	0	\$0	0	\$0	0
Subtotals ==>	\$0	0	\$0	0	\$1,594,488	1	\$1,594,488	1

Entity Totals	
Total Appraised *	\$2,508,223,649
Absolute Exempt	\$83,184,496
Cases Before ARB	\$44,954,330
Incompletes	\$18,513,451
Partial Exemptions	\$98,703,320
In Process	\$65,393
Calculated Net Taxable Value	\$2,262,802,659
Total # of Accounts *	20,712

* Only includes totals from Agricultural Properties, Mineral Lease Properties, Personal Property Commercial, Personal Property Industrial, Real Estate Commercial, Real Estate Industrial, and Real Estate Residential.



Current Use Code Report - Estimates
Entity: 031 CITY OF WATAUGA

Category	Roll Status	# of Accts	Market Value	Appraised Value	Taxable Value	Ag Acreage	Ag Deferred	New Const. Value
A -- "Residential SingleFamily"	ARB	90	\$25,777,151	\$24,326,233	\$23,829,233	0.0000	\$0	\$0
A -- "Residential SingleFamily"	Certified	8,019	\$2,147,668,121	\$2,001,782,315	\$1,910,920,978	0.0000	\$0	\$13,313,140
A -- "Residential SingleFamily" Totals:		8,109	\$2,173,445,272	\$2,026,108,548	\$1,934,750,211	0.0000	\$0	\$13,313,140
BC -- "MultiFamily Commercial"	Certified	1	\$19,224,698	\$19,224,698	\$19,224,698	0.0000	\$0	\$0
BC -- "MultiFamily Commercial" Totals:		1	\$19,224,698	\$19,224,698	\$19,224,698	0.0000	\$0	\$0
C1 -- "Vacant Land Residential"	Certified	48	\$1,931,571	\$1,876,931	\$1,863,598	0.0000	\$0	\$0
C1 -- "Vacant Land Residential" Totals:		48	\$1,931,571	\$1,876,931	\$1,863,598	0.0000	\$0	\$0
C1C -- "Vacant Land Commercial"	Certified	30	\$8,471,444	\$7,585,290	\$7,585,290	0.0000	\$0	\$0
C1C -- "Vacant Land Commercial" Totals:		30	\$8,471,444	\$7,585,290	\$7,585,290	0.0000	\$0	\$0
C2C -- "CommercialLandWithImprovementValue"	Certified	5	\$697,968	\$697,968	\$697,968	0.0000	\$0	\$0
C2C -- "CommercialLandWithImprovementValue" Totals:		5	\$697,968	\$697,968	\$697,968	0.0000	\$0	\$0
D1 -- "Qualified Open Space Land"	Certified	1	\$1,596,266	\$1,778	\$1,778	24.0240	\$1,594,488	\$0
D1 -- "Qualified Open Space Land" Totals:		1	\$1,596,266	\$1,778	\$1,778	24.0240	\$1,594,488	\$0
F1 -- "Commercial"	ARB	11	\$10,730,861	\$9,947,049	\$9,947,049	0.0000	\$0	\$0
F1 -- "Commercial"	Certified	190	\$271,338,598	\$268,434,896	\$268,434,896	0.0000	\$0	\$3,325,070
F1 -- "Commercial" Totals:		201	\$282,069,459	\$278,381,945	\$278,381,945	0.0000	\$0	\$3,325,070
F1C -- "VarX Billboards"	Certified	2	\$308,907	\$308,907	\$308,907	0.0000	\$0	\$0
F1C -- "VarX Billboards" Totals:		2	\$308,907	\$308,907	\$308,907	0.0000	\$0	\$0
G1 -- "Oil, Gas and Mineral Reserve"	Certified	11,351	\$278,592	\$278,592	\$181,602	0.0000	\$0	\$0
G1 -- "Oil, Gas and Mineral Reserve" Totals:		11,351	\$278,592	\$278,592	\$181,602	0.0000	\$0	\$0
J2C -- "VarX Utility Gas Companies"	Certified	1	\$4,375,100	\$4,375,100	\$4,375,100	0.0000	\$0	\$0
J2C -- "VarX Utility Gas Companies" Totals:		1	\$4,375,100	\$4,375,100	\$4,375,100	0.0000	\$0	\$0
J3 -- "Commercial Utility Electric Companies"	Certified	1	\$556,099	\$556,099	\$556,099	0.0000	\$0	\$0
J3 -- "Commercial Utility Electric Companies" Totals:		1	\$556,099	\$556,099	\$556,099	0.0000	\$0	\$0
J3C -- "VarX Utility Electric Companies"	Certified	2	\$13,084,410	\$13,084,410	\$13,084,410	0.0000	\$0	\$0
J3C -- "VarX Utility Electric Companies" Totals:		2	\$13,084,410	\$13,084,410	\$13,084,410	0.0000	\$0	\$0

This report contains All Excluding Absolutes

Process Code: 220 Table Group Name: "July Roll"



Current Use Code Report - Estimates
Entity: 031 CITY OF WATAUGA

Category	Roll Status	# of Accts	Market Value	Appraised Value	Taxable Value	Ag Acreage	Ag Deferred	New Const. Value
J4 -- "Commercial Utility Telephone Companies"	Certified	1	\$1,334,394	\$1,334,394	\$1,334,394	0.0000	\$0	\$0
J4 -- "Commercial Utility Telephone Companies" Totals:		1	\$1,334,394	\$1,334,394	\$1,334,394	0.0000	\$0	\$0
J4C -- "VarX Utility Telephone Companies"	ARB	6	\$939,836	\$939,836	\$939,836	0.0000	\$0	\$0
J4C -- "VarX Utility Telephone Companies"	Certified	20	\$6,209,866	\$6,209,866	\$6,209,866	0.0000	\$0	\$0
J4C -- "VarX Utility Telephone Companies" Totals:		26	\$7,149,702	\$7,149,702	\$7,149,702	0.0000	\$0	\$0
J5C -- "VarX Utility Railroads"	Certified	1	\$323,660	\$323,660	\$323,660	0.0000	\$0	\$0
J5C -- "VarX Utility Railroads" Totals:		1	\$323,660	\$323,660	\$323,660	0.0000	\$0	\$0
J6C -- "VarX Utility Pipelines"	Certified	2	\$182,290	\$182,290	\$170,733	0.0000	\$0	\$0
J6C -- "VarX Utility Pipelines" Totals:		2	\$182,290	\$182,290	\$170,733	0.0000	\$0	\$0
J7C -- "VarX Utility Cable Companies"	Certified	2	\$2,209,642	\$2,209,642	\$2,209,642	0.0000	\$0	\$0
J7C -- "VarX Utility Cable Companies" Totals:		2	\$2,209,642	\$2,209,642	\$2,209,642	0.0000	\$0	\$0
L1 -- "Personal Property Tangible Commercial"	ARB	22	\$9,741,212	\$9,741,212	\$9,741,212	0.0000	\$0	\$0
L1 -- "Personal Property Tangible Commercial"	Certified	334	\$28,575,631	\$28,575,631	\$28,461,118	0.0000	\$0	\$54,941
L1 -- "Personal Property Tangible Commercial" Totals:		356	\$38,316,843	\$38,316,843	\$38,202,330	0.0000	\$0	\$54,941
L1C -- "VarX Commercial"	Certified	348	\$14,092,110	\$14,092,110	\$4,614,334	0.0000	\$0	\$0
L1C -- "VarX Commercial" Totals:		348	\$14,092,110	\$14,092,110	\$4,614,334	0.0000	\$0	\$0
L2 -- "Personal Property Tangible Industrial"	Certified	1	\$2,211	\$2,211	\$0	0.0000	\$0	\$0
L2 -- "Personal Property Tangible Industrial" Totals:		1	\$2,211	\$2,211	\$0	0.0000	\$0	\$0
M1 -- "Mobile Home"	Certified	1	\$20,674	\$20,674	\$20,674	0.0000	\$0	\$0
M1 -- "Mobile Home" Totals:		1	\$20,674	\$20,674	\$20,674	0.0000	\$0	\$0
O -- "Residential Inventory"	Certified	93	\$3,801,000	\$3,801,000	\$3,801,000	0.0000	\$0	\$0
O -- "Residential Inventory" Totals:		93	\$3,801,000	\$3,801,000	\$3,801,000	0.0000	\$0	\$0

This report contains All Excluding Absolutes

Process Code: 220

Table Group Name: "July Roll"



Category	Roll Status	# of Accts	Market Value	Appraised Value	Taxable Value	Ag Acreage	Ag Deferred	New Const. Value
S -- "Personal Property Special Inventory"	Certified	8	\$1,582,497	\$1,582,497	\$1,531,316	0.0000	\$0	\$0
S -- "Personal Property Special Inventory" Totals:		8	\$1,582,497	\$1,582,497	\$1,531,316	0.0000	\$0	\$0
ARB Totals:		129	\$47,189,060	\$44,954,330	\$44,457,330	0.0000	\$0	\$0
Certified Totals:		20,462	\$2,527,865,749	\$2,376,540,959	\$2,275,912,061	24.0240	\$1,594,488	\$16,693,151
Incomplete Totals:		0				0.0000		
In Process Totals:		0				0.0000		
Report Totals:		20,591	\$2,575,054,809	\$2,421,495,289	\$2,320,369,391	24.0240	\$1,594,488	\$16,693,151

This report contains All Excluding Absolutes

Process Code: 220 Table Group Name: "July Roll"

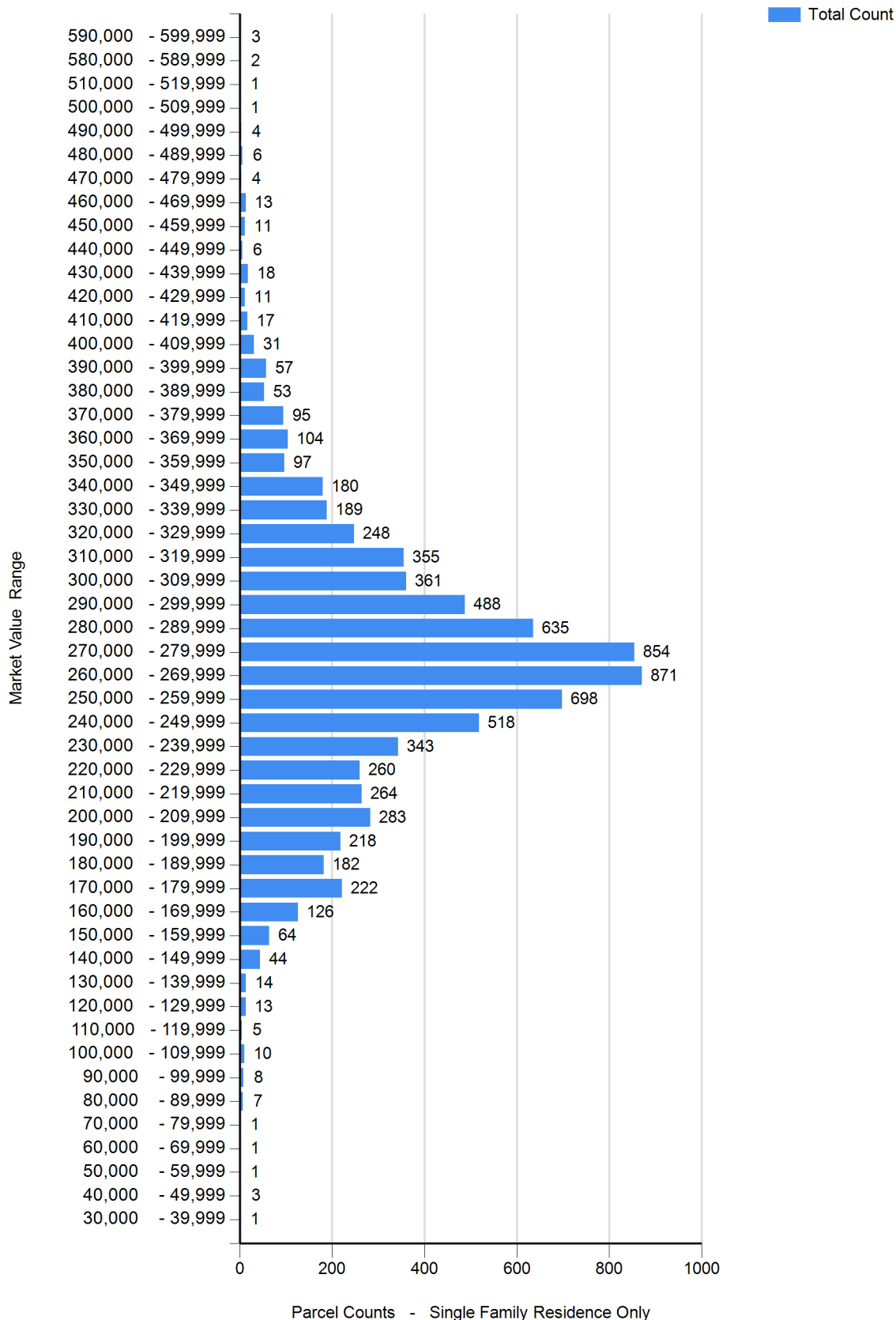


Entities Residential Graph Report

7/20/2024
11:01:17 AM

2024 CITY OF WATAUGA

Total Parcel Counts: 8,001 Average Market: 267,784 Average NTV: 238,062



PAGE 1 OF CERTIFIED TOTALS REPORT

Value Detail

Includes ALL accounts regardless of the assessment status (ARB Pending, Incomplete and In Process)

NOTE: Accounts that are In Process may or may not have values, even so the accounts are included in the number of accounts

Pending Detail

Cases Before ARB – (On Hold Status for ARB)

This category includes all accounts that have an active case filed and/or scheduled for ARB for the current tax year. The values represented on this row are the current year market, appraised and taxable values. Since the accounts are pending ARB cases, the values represented here are still subject to change and thus are NOT certified values. There is a Letter that accompanies the Certified Totals report which shows the Appraised, the Net Taxable and the Estimated Minimum Net Taxable Value for the ARB Pending accounts.

Incomplete Accounts – (On Hold Status but not On Hold for ARB)

This category includes accounts that do have a current year assessment **BUT** they are not Complete, they are not On Hold due to an ARB case **AND** they are NOT certified. There is a letter that accompanies the Certified Totals, that shows the Appraised and the Estimated Net Taxable values of the Incomplete accounts

In Process Accounts – (Needs Review Status)

This category includes the accounts that have not been worked for the current year and are still in process. These are accounts typically are re-platts or split properties that are in process. Many of these don't even have values at the time of the report.

When there is no value for the current year, but there is a prior year certified value, that value is included. If there are neither current nor prior year values, the account is counted but no values are included.

Certified Value

Includes all accounts that are not: ARB pending, not Incomplete and not In Process

These are the accounts that have been completed and DO have finalized 2016 values

The formula used to calculate the certified values is

Beginning with Value Detail

Total Market Value, less the ARB Pending Total Market Value, less the Incomplete Total Market Value, less the In Process Total Market Value equals the Certified Market Value.

Repeat these steps for Total Appraised and Total Taxable to get the Certified Total Appraised Value and the Certified Total Taxable Value.



Tarrant Appraisal District
TARRANT COUNTY 220
Totals for Roll Instance July Certification - 7-22
2016

Value Detail	Market	Appraised	Counts	Taxable
Real Estate Residential	103,049,767,451	96,589,510,985	583,145	91,028,765,182
Real Estate Commercial	63,699,392,662	63,656,996,840	58,377	42,967,094,512
Real Estate Industrial	1,570,799,937	1,570,799,937	1,021	1,483,019,738
Personal Property Commercial	23,001,560,383	23,001,560,383	47,210	18,042,370,388
Personal Property Industrial	4,979,690,186	4,979,690,186	1,218	3,138,059,075
Mineral Lease Properties	978,552,415	978,552,415	999,945	907,476,945
Agricultural Properties	1,626,187,235	28,763,118	4,820	28,704,618
Total Value	198,905,950,269	190,805,873,864	1,695,736	157,595,490,458
Pending Detail	Market	Appraised	Counts	Taxable
Cases Before ARB	10,403,899,388	9,939,935,317	24,433	9,233,909,173
Incomplete Accounts	5,723,812,319	5,608,036,445	12,240	4,829,991,237
In Process Accounts	619,997,262	616,472,581	205	322,748,509
Certified Value	182,158,241,300	174,641,429,521	1,658,858	143,208,841,539

PAGE 2 OF CERTIFIED TOTALS REPORT

Exemption Detail

This page is a breakdown of all exemptions that are Granted

Certified Totals DO NOT include exemptions for Incomplete, In Process or Pending ARB accounts

The absolute exemptions on page 2, DO include pro-rated absolute exemptions

Inventory on page 2, is representative of Personal Property Freeport exemptions. It DOES NOT include Residential inventory property.

PAGE 3 OF CERTIFIED TOTALS REPORT

Deferrals

This section includes accounts that have a preferential assessment

NOTE: On page 1, under Value Detail, there is a separate line item for Agricultural properties. However, all other accounts with deferrals, are included in the Value Detail portion of the report under the Class Code (formerly known as State Use Code) assigned to the account

PAGE 4 OF CERTIFIED TOTALS REPORT

New Exemptions

This section includes New exemptions for the current tax year. The definition of a New exemptions for the purposes of this report is an exemption that did not exist in the previous tax year AND it has a start date of 01-01-2016

New Construction

This section includes all properties that have added value due to New Construction. This also includes new Personal Property in a New Improvement as "New business in new improvement". The New Value represents only the value that was not on a previous appraisal roll. The added value may be a totally new improvement or an addition to an existing improvement. New Value does not include the land value.

Annexation

Deannexation

This information is not currently being tracked in Aumentum

PAGE 5 OF CERTIFIED TOTALS REPORT

Tax Ceilings

Over 65

Disabled Person

This section includes accounts that have qualified for a tax ceiling. The Ceiling Amount is the levy amount.

The report does not show the levy loss as a result of tax ceilings but the information to calculate that number is available. Using the Taxable Value, multiply by the tax rate, then divide by 100 to get the actual levy of the taxable value. Next, subtract the ceiling amount from that number to get the levy loss. If this calculation should result in a negative number, there is no levy loss due to the tax ceilings.

New Over 65 Ceilings

New Disabled Person Ceilings

This section includes accounts that have qualified for a new tax ceiling in the current tax year

Capped Accounts

Cap Total

This includes accounts where the market value is capped due to the 10% limitation on market value increases from the previous year to current tax year

New Cap this Year

This includes accounts where the market value was NOT capped in the previous year BUT is capped in the current tax year

All Exemptions by Group

Residential

Commercial

Industrial

Mineral Lease

[Agricultural – Ag is a preferential assessment – NOT an exemption](#)

This section includes accounts with exemptions and totals the exempt amounts by property category based upon the Class Code (formerly known as the State Use Code)

Fiscal Year 2024-2025			
Summary of Property Tax Revenue & Distribution			
NET TAXABLE VALUE			FY2024-2025 TOTAL
Total Appraised Value as of July 25, 2024			2,508,223,649
Less:			
Absolute Exemption			(83,184,496)
Cases Before ARB			(44,954,330)
Incomplete Accounts			(18,513,451)
Disabled Veteran			(18,918,952)
Over 65			(69,069,046)
Homestead			
Disabled Persons Over65			(2,766,668)
Freeport Inventory Value Loss			
Pollution Control			(72,955)
Solar & Wind Powered Devices			(1,162,093)
Nominal Value Accounts			(134,080)
Miscellaneous Personal Property			(6,579,526)
Property Damaged by Disaster			
In Process			(65,393)
Total Reduction to Values			(245,420,990)
NET TAXABLE VALUE (CERTIFIED) AT JULY 25,2024			2,262,802,659
Add:			
Estimated Minimum ARB protested values			31,120,131
Estimated Minimum Incomplete Property Values			9,182,168
Estimated Minimum Value of In Process Properties			0
ESTIMATED NET TAXABLE VALUE AT JULY 25, 2024			\$ 2,303,104,957
ESTIMATED PROPERTY TAX COLLECTIONS:		GENERAL (M&O)	DEBT SERVICE (I&S)
Estimated Net Taxable Value			2,303,104,957
Less: Tax Ceiling Taxable Values			(361,075,580)
Net Taxable Values			1,942,029,377
Proposed Tax Rate per \$100 Valuation	0.361051	0.209149	0.570200
Estimated Total Tax Levy at 100% Collection	7,011,716	4,061,735	11,073,452
Less: Estimated Uncollectable	(10,518)		(10,518)
Less: Estimated I&S Uncollectable (.15%)		(6,093)	(6,093)
Estimated Revenue from Property Tax	7,001,199	4,055,642	11,056,841
Estimated Revenue from Property Tax	7,001,199	4,055,642	11,056,841
Plus: Tax Ceiling Account Revenue (not included in tax rate calc)	734,376	353,588	1,087,964
Less: Estimated Uncollectable (.15%)	(1,102)		(1,102)
Less: Estimated I&S Uncollectable (.15%)		(530)	(530)
ESTIMATED PROPERTY TAX DISTRIBUTION	\$ 7,734,473	\$ 4,408,700	\$ 12,143,173
BUDGET LINE ITEMS			
Ad valorem Taxes	\$ 7,734,000	\$ 4,403,000	\$ 12,137,000
Delinquent/Penalties and Interest	\$ 66,000	\$ 22,000	\$ 88,000
TOTALS	\$ 7,800,000	\$ 4,425,000	12,225,000
Prior year totals (calculated from Certified July 20, 2023)	\$ 7,194,500	\$ 4,171,000	11,365,500
Additional Revenues in budget from Property Taxes FY2024-2025	\$ 605,500	\$ 254,000	859,500



AGENDA MEMORANDUM

DATE: July 29, 2024
TO: Honorable City Council Members
FROM: Sandra Gibson, Interim City Manager and Director of Finance
SUBJECT: Discuss and consider action on setting a Public Hearing on the FY2024-2025 Proposed Budget for August 12, 2024 at 6:30 p.m.

BACKGROUND/INFORMATION:

Chapter 102 of the Local Government Code outlines the requirements for the Municipal Budget process. The FY2024-2025 Proposed Budget was filed with the City Secretary's office and provided to City Council on July 20, 2024. The City Council should set the public hearing on the proposed budget for August 12, 2024 at 6:30 p.m.

Sec. 102.006. PUBLIC HEARING ON PROPOSED BUDGET. (a) The governing body of a municipality shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing.

(b) The governing body shall set the hearing for a date occurring after the 15th day after the date the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy.

(c) The governing body shall provide for public notice of the date, time, and location of the hearing. The notice must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 102.005(b).

FINANCIAL IMPLICATIONS:

None

RECOMMENDATION/ACTION DESIRED:

Staff recommends the Public Hearing on the Proposed Budget for FY2024-2025 be set for August 12, 2024 at 6:30 p.m.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Sandra Gibson, Interim City Manager and Director of Finance Approved - 8/1/2024
Linda Proskey, City Secretary Final Approval - 8/1/2024



AGENDA MEMORANDUM

Approved as to form for inclusion on Agenda



AGENDA MEMORANDUM

DATE: July 29, 2024

TO: Honorable City Council Members

FROM: Sandra Gibson, Interim City Manager and Director of Finance

SUBJECT: Discuss and consider action and take a record vote on the proposed tax rate of \$0.5702 per \$100 valuation for the FY2024-2025 Fiscal Year

BACKGROUND/INFORMATION:

The tax rate of \$0.5702 per \$100 valuation is recommended in the City Manager's Proposed Budget for Fiscal Year 2024-2025 which was provided to the Council and available for public view on July 20th, and updated on August 1, 2024.

This is not a vote on the tax rate, but a vote on considering the proposed tax rate. The tax rate adoption should be set for August 26, 2024, after the public hearing. The tax rate definitions are included below:

No-New-Revenue (NNR) Tax Rate: The tax rate that will generate the same amount of tax revenue as the previous year from the same property. This rate serves as the benchmark from which all Truth-in-Taxation requirements are measured. The NNR rate for FY 2024-2025 is \$0.540097 per \$100 valuation.

NNR Maintenance & Operations (M&O) Rate: The tax rate that will generate the same amount of tax revenue for maintenance and operations as the previous year. The NNR M&O rate for FY 2024-2025 is \$0.341309 per \$100 valuation.

Voter-Approval Tax Rate: The maximum tax rate the City may adopt without requiring an election (unless taxing unit eligible to utilize the de minimis rate). The voter-approval tax rate for FY 2024-2025 is \$0.575477 per \$100 valuation.

Debt Tax Rate: The rate required to generate revenue to meet debt service requirements, which is unlimited in terms of calculating the voter approval tax rate. The debt tax rate for FY 2024-2025 is \$0.209149 per \$100 valuation.

De Minimis Rate: The rate required to generate an additional \$500,000 in revenue for maintenance and operations. This rate is only calculated for certain taxing units under 30,000 in population. The de minimis rate is \$0.576204 per \$100 valuation.

Property Tax Rate Comparison

	2024-2025	2023-2024
Property Tax Rate:	\$0.570200/100	\$0.570200/100



AGENDA MEMORANDUM

No-New-Revenue Tax Rate:	\$0.540097/100	\$0.507081/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.341309/100	\$0.334281/100
Voter-Approval Tax Rate:	\$0.575477/100	\$0.605718/100
Debt Rate:	\$0.209149/100	\$0.210490/100
De Minimis Rate:	\$0.576204/100	\$0.571910/100

The proposed tax rate is lower than the voter-approval tax rate and below the de minimis rate. As a result, the City of Watauga is not required to hold an election at which voters may accept or reject the proposed tax rate.

FINANCIAL IMPLICATIONS:

The proposed tax rate will raise more revenue from property taxes than last year's budget by an amount of \$648,626, with approximately \$432,000 in additional revenue for the general fund and the remainder to the debt service fund.

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Council review and take a record vote to consider the proposed property tax rate of \$0.5702 per \$100 of assessed valuation.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. 2024 CITY OF WATAUGA TAX RATE CALCULATION-UPDATED WORKSHEET 8-2-2024
2. 2024 TAX RATE CALCULATION WORKSHEET - FINAL REV. 8-2-2024

REVIEWED BY:

David Berman, City Attorney

Approved - 8/1/2024

Sandra Gibson, Interim City Manager and Director of Finance

Approved - 8/2/2024

Linda Proskey, City Secretary

Final Approval - 8/2/2024

Approved as to form for inclusion on Agenda

2024 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Watauga, Texas

817-514-5800

Taxing Unit Name

Phone (area code and number)

7105 Whitley Road, Watauga, Texas

www.cowtx.org

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 2,112,556,102
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year 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 unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 332,703,377
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 1,779,852,725
4.	Prior year total adopted tax rate.	\$ 0.570200 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 59,150,326 B. Prior year values resulting from final court decisions: - \$ 54,293,761 C. Prior year value loss. Subtract B from A. ³	\$ 4,856,565
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 34,361,911 B. Prior year disputed value: - \$ 4,123,429 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 30,238,482
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 35,095,047

¹ Tex. Tax Code §26.012(14)² Tex. Tax Code §26.012(14)³ Tex. Tax Code §26.012(13)⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 1,814,947,772
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2023. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. 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 due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 0 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 2,429,407 C. Value loss. Add A and B. ⁶	\$ 2,429,407
11.	Prior year 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 the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 0 B. Current year productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 2,429,407
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 1,812,518,365
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 10,334,979
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax 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 the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 75,994
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 10,410,973
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 2,262,802,659 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 0 E. Total current year value. Add A and B, then subtract C and D.	\$ 2,262,802,659

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
A.	Current year 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 under protest. ¹⁴	\$ 31,120,131
B.	Current year 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 of property not on the certified roll. ¹⁵	+ \$ 9,182,168
C.	Total value under protest or not certified. Add A and B.	\$ 40,302,299
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year 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 unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 361,075,580
21.	Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 1,942,029,378
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. 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, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹	\$ 14,417,989
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.	\$ 14,417,989
25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.	\$ 1,927,611,389
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.540097 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²¹	\$ /\$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.359710 /\$100
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,814,947,772

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §26.012(6)

¹⁸ Tex. Tax Code §26.012(17)

¹⁹ Tex. Tax Code §26.012(17)

²⁰ Tex. Tax Code §26.04(c)

²¹ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100.	\$ 6,528,548
31.	Adjusted prior year levy for calculating NNR M&O rate.	
	A. M&O taxes refunded for years preceding the prior tax year. 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 2023. This line applies only to tax years preceding the prior tax year. + \$ 50,576	
	B. Prior year 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 current year captured appraised value in Line 18D, enter 0. - \$ 0	
	C. Prior year transferred 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 D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0	
	D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ 50,576	
	E. Add Line 30 to 31D.	\$ 6,579,124
32.	Adjusted current year taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,927,611,389
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.341309 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³	
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴	
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose. - \$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²² [Reserved for expansion]²³ Tex. Tax Code §26.044²⁴ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵	
A.	Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose. \$ 0	
B.	Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose. \$ 0	
C.	Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
D.	Multiply B by 0.05 and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
E.	Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.000000 /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶	
A.	Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. \$ 0	
B.	Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. \$ 0	
C.	Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
D.	Multiply B by 0.08 and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
E.	Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.000000 /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
A.	Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. \$ 0	
B.	Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year. \$ 0	
C.	Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
D.	Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
39.	Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.341309 /\$100
40.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
A.	Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent. \$ 0	
B.	Divide Line 40A by Line 32 and multiply by \$100. \$ 0.000000 /\$100	
C.	Add Line 40B to Line 39.	\$ 0.341309 /\$100
41.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.353254 /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ 0.000000 /\$100
42.	Total current year 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: (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. 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. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 4,551,844 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 150,000 E. Adjusted debt. Subtract B, C and D from A.	\$ 4,401,844
43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 340,098
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	\$ 4,061,746
45.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³⁰ 100.00 % B. Enter the prior year actual collection rate 99.58 % C. Enter the 2022 actual collection rate. 99.69 % D. Enter the 2021 actual collection rate. 100.06 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	100.00 %
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 4,061,746
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,942,029,378
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.209149 /\$100
49.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 41 and 48.	\$ 0.562403 /\$100
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ 0.000000 /\$100

²⁷ Tex. Tax Code §26.042(a)²⁸ Tex. Tax Code §26.012(7)²⁹ Tex. Tax Code §26.012(10) and 26.04(b)³⁰ Tex. Tax Code §26.04(b)³¹ Tex. Tax Code §26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.000000 /\$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ 0
52.	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. ³³ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
53.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,942,029,378
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ 0.000000 /\$100
55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.540097 /\$100
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.540097 /\$100
57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.562403 /\$100
58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.562403 /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ 0
60.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,942,029,378
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ 0.000000 /\$100

³² Tex. Tax Code §26.041(d)

³³ Tex. Tax Code §26.041(i)

³⁴ Tex. Tax Code §26.041(d)

³⁵ Tex. Tax Code §26.04(c)

³⁶ Tex. Tax Code §26.04(c)

³⁷ Tex. Tax Code §26.045(d)

³⁸ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.562403 /\$100

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.³⁹ The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴⁰

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴¹
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴² or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴³

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁴

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.605718 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.049248 /\$100
	C. Subtract B from A.....	\$ 0.556470 /\$100
	D. Adopted Tax Rate.....	\$ 0.570200 /\$100
	E. Subtract D from C.....	\$ -0.013730 /\$100
	F. 2023 Total Taxable Value (Line 60).....	\$ 1,842,340,668
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
64.	Year 2 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.584200 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.014000 /\$100
	C. Subtract B from A.....	\$ 0.570200 /\$100
	D. Adopted Tax Rate.....	\$ 0.570200 /\$100
	E. Subtract D from C.....	\$ 0.000000 /\$100
	F. 2022 Total Taxable Value (Line 60).....	\$ 1,624,845,306
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
65.	Year 1 Foregone Revenue Amount. Subtract the 2021 unused increment rate and 2021 actual tax rate from the 2021 voter-approval tax rate. Multiply the result by the 2021 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.597593 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.000000 /\$100
	C. Subtract B from A.....	\$ 0.597593 /\$100
	D. Adopted Tax Rate.....	\$ 0.580400 /\$100
	E. Subtract D from C.....	\$ 0.017193 /\$100
	F. 2021 Total Taxable Value (Line 60).....	\$ 1,476,882,551
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 253,920
66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$ 253,920 /\$100
67.	2024 Unused Increment Rate. Divide Line 66 by Line 21 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.013074 /\$100
68.	Total 2024 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	\$ 0.575477 /\$100

³⁹ Tex. Tax Code §26.013(b)

⁴⁰ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴¹ Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)

⁴² Tex. Tax Code §26.0501(a) and (c)

⁴³ Tex. Local Gov't Code §120.007(d)

⁴⁴ Tex. Local Gov't Code §120.007(d)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.341309 /\$100
70.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,942,029,378
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.	\$ 0.025746 /\$100
72.	Current year debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.209149 /\$100
73.	De minimis rate. Add Lines 69, 71 and 72.	\$ 0.576204 /\$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁹

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	2023 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.570200 /\$100
75.	Adjusted 2023 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2023 and the taxing unit calculated its 2023 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2023 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2023 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2023, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2023 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵⁰ Enter the final adjusted 2023 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2023 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
76.	Increase in 2023 tax rate due to disaster. Subtract Line 75 from Line 74.	\$ 0.000000 /\$100
77.	Adjusted 2023 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.	\$
79.	Adjusted 2023 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁵¹	\$ 0.000000 /\$100

⁴⁴ Tex. Tax Code §26.04(c)(2)(B)

⁴⁶ Tex. Tax Code §26.012(8-a)

⁴⁷ Tex. Tax Code §26.063(a)(1)

⁴⁸ Tex. Tax Code §26.042(b)

⁴⁹ Tex. Tax Code §26.042(f)

⁵⁰ Tex. Tax Code §26.042(c)

⁵¹ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ 0.575477 /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.540097 /\$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 26

Voter-approval tax rate. \$ 0.575477 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).

Indicate the line number used: 68

De minimis rate. \$ 0.576204 /\$100

If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵²

**print
here**

Sandra Gibson

Printed Name of Taxing Unit Representative

**sign
here**

Taxing Unit Representative

Date

8/2/2024

⁵² Tex. Tax Code §§26.04(c-2) and (d-2)

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
City of Watauga, Texas

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No-New-Revenue Tax Rate Worksheet.	\$1,814,947,772
2. Last year's M&O tax rate. Enter Line 28 of the Voter-Approval Tax Rate Worksheet.	\$0.359710/\$100
3. M&O taxes refunded for years preceding tax year 2023. Enter Line 31A of the Voter-Approval Tax Rate Worksheet.	\$50,576
4. TIF Adjustment. Enter Line 31B of the Voter-Approval Tax Rate Worksheet.	\$0
5. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3 and subtract line 4.	\$6,579,124
6. This year's total taxable value. Enter line 21 of the No-New-Revenue Tax Rate Worksheet.	\$1,942,029,378
7. This year's proposed M&O tax rate. Enter the proposed M&O tax rate approved by the Governing Body.	\$0.361051/\$100
8. This year's M&O tax levy. Multiply line 6 times line 7 and divide by 100.	\$7,011,716
9. M&O Tax Increase (Decrease). Subtract line 5 from line 8.	\$432,592
Comparison of Total Tax Rates	
10. No-New-Revenue Total Tax Rate.	\$0.540097/\$100
11. This year's proposed total tax rate.	\$0.570200/\$100
12. This year's rate minus No-New-Revenue rate. Subtract line 10 from line 11.	\$0.030103
13. Percentage change in total tax rate. Divide Line 12 by line 10.	5.57%
Comparison of M&O Tax Rates	
14. No-New-Revenue M&O Tax Rate. Enter line 39 of the Voter-Approval Tax Rate Worksheet.	\$0.341309/\$100
15. This year's proposed M&O tax rate.	\$0.361051/\$100
16. This year's rate minus No-New-Revenue rate. Subtract line 14 from line 15.	\$0.019742
17. Percentage change in M&O tax rate. Divide line 16 by line 14.	5.78%
Raised M&O Taxes on a \$100,000 Home	
18. This year's taxable value on a \$100,000 home.	\$100,000
19. Last year's M&O tax rate.	\$0.359710/\$100
20. This year's proposed M&O tax rate.	\$0.361051/\$100
21. This year's raised M&O taxes. Subtract line 19 from line 20 and multiply result by line 18.	\$1.34



AGENDA MEMORANDUM

DATE: July 29, 2024

TO: Honorable City Council Members

FROM: Sandra Gibson, Interim City Manager and Director of Finance

SUBJECT: Discuss and consider action on setting the Public Hearing on the Proposed Tax Rate of \$0.5702 per \$100 valuation for August 26, 2024, at 6:30 p.m.

BACKGROUND/INFORMATION:

The property tax rate setting process is governed by Chapter 26 of the Texas Property Tax Code. There have been multiple changes to the tax rate setting process due to the 2019 Texas State Legislature actions (SB2). The tax rate adoption timeline for the City requires that by August 7th, or soon as possible thereafter, the designated officer or employee must submit tax rates to the City Council. In addition, the City must provide a website notice of tax rates and additional information and submit the tax rate calculation forms to the county-assessor-collector. The tax rate of \$0.5702 per \$100 valuation is recommended in the City Manager's Proposed Budget for Fiscal Year 2024-2025.

The proposed tax rate exceeds the no new revenue tax rate which is calculated at \$0.540097 per \$100 valuation and a Public Hearing must be held. It is recommended that the City Council conduct this hearing on August 26, 2024, at 6:30 p.m. before the vote on the tax rate. The tax rate public hearing must be held at least 5 days after published notice of the tax rate is given, and not more than 7 days before adoption of the tax rate. The tax rate may be adopted after a public hearing.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Council review and take action to set a date for the Tax Rate Public Hearing to be held on August 26, 2024 at 6:30 p.m.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. ADOPTION OF TAX RATE CALCULATION WORKSHEET

REVIEWED BY:

Sandra Gibson, Interim City Manager and Director of Finance Approved - 8/1/2024

Linda Proskey, City Secretary

Final Approval - 8/1/2024



AGENDA MEMORANDUM

Approved as to form for inclusion on Agenda

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
City of Watauga

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No-New-Revenue Tax Rate Worksheet.	\$1,627,192,205
2. Last year's M&O tax rate. Enter Line 28 of the Voter-Approval Tax Rate Worksheet.	\$0.375187/\$100
3. M&O taxes refunded for years preceding tax year 2022. Enter Line 31A of the Voter-Approval Tax Rate Worksheet.	\$49,523
4. TIF Adjustment. Enter Line 31B of the Voter-Approval Tax Rate Worksheet.	\$0
5. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3 and subtract line 4.	\$6,154,536
6. This year's total taxable value. Enter line 21 of the No-New-Revenue Tax Rate Worksheet.	\$1,842,340,668
7. This year's proposed M&O tax rate. Enter the proposed M&O tax rate approved by the Governing Body.	\$0.359710/\$100
8. This year's M&O tax levy. Multiply line 6 times line 7 and divide by 100.	\$6,627,084
9. M&O Tax Increase (Decrease). Subtract line 5 from line 8.	\$472,548
Comparison of Total Tax Rates	
10. No-New-Revenue Total Tax Rate.	\$0.507081/\$100
11. This year's proposed total tax rate.	\$0.570200/\$100
12. This year's rate minus No-New-Revenue rate. Subtract line 10 from line 11.	\$0.063119
13. Percentage change in total tax rate. Divide Line 12 by line 10.	12.45%
Comparison of M&O Tax Rates	
14. No-New-Revenue M&O Tax Rate. Enter line 39 of the Voter-Approval Tax Rate Worksheet.	\$0.334281/\$100
15. This year's proposed M&O tax rate.	\$0.359710/\$100
16. This year's rate minus No-New-Revenue rate. Subtract line 14 from line 15.	\$0.025429
17. Percentage change in M&O tax rate. Divide line 16 by line 14.	7.61%
Raised M&O Taxes on a \$100,000 Home	
18. This year's taxable value on a \$100,000 home.	\$100,000
19. Last year's M&O tax rate.	\$0.375187/\$100
20. This year's proposed M&O tax rate.	\$0.359710/\$100
21. This year's raised M&O taxes. Subtract line 19 from line 20 and multiply result by line 18.	\$-15.48



AGENDA MEMORANDUM

DATE: July 29, 2024

TO: Honorable City Council Members

FROM: Sandra Gibson, Interim City Manager and Director of Finance

SUBJECT: Discuss and consider action on setting the date of August 26, 2024 to adopt the proposed tax rate of \$0.5702 per 100 valuation for the 2024-2025 Fiscal Year

BACKGROUND/INFORMATION:

The tax rate of \$0.5702 per \$100 valuation is recommended in the City Manager's Proposed Budget for Fiscal Year 2024-2025 which is presented to Council and available for public view on July 20, 2024 and updated on August 1, 2024.

The tax rate public hearing should be held on August 26, 2024 and the tax rate adopted after the public hearing.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Council review and take action to set the public hearing date for adopting the FY 2024-2025 Property Tax Rate of \$.5702 per \$100 of assessed valuation as of August 26, 2024.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

None

REVIEWED BY:

Sandra Gibson, Interim City Manager and Director of Finance Approved - 8/1/2024

Linda Proskey, City Secretary

Final Approval - 8/1/2024

Approved as to form for inclusion on Agenda