

# **Denton County, Texas**

## **Public Hearings on Proposed Tax Rate**

***August 27, 2013 at 7:00 p.m.***

***and***

***September 3, 2013 at 10:00 a.m.***

# 4 Principles of Truth-In-Taxation

- Property owners receive notices of increases in their properties' appraised value and estimated taxes that could result from the new value.
- Taxing units must publish its effective and rollback tax rates before adopting an actual rate.
- Notices must be published and taxing entity must hold two public hearings before adopting a tax rate that exceeds the lower of the rollback rate or the effective rate.
- If a taxing unit adopts a rate that exceeds the rollback rate, voters may petition for an election to limit the rate to the rollback rate.

# **Denton Central Appraisal District**

*Appraisal Districts were established in 1981 as a political subdivision and are responsible for appraising property for ad valorem tax purposes of each taxing unit.*

## *Contact Information:*

**Chief Appraiser Rudy Durham**

**3911 Morse Street**

**Denton, Texas 76205**

**Metro: 972-434-2602**

**Fax: 940-387-4824**

# Public Hearing Notices

## Proposed Tax Rate

- The two public hearings on the proposed tax rate have been advertised and posted according to the provisions detailed in the Property Tax Code as follows:
- $\frac{1}{4}$  page notice appeared in the Denton Record Chronicle on Monday, August 19<sup>th</sup>.
- Notice was posted on the main page of the Denton County web site on August 19<sup>th</sup> and will remain posted through September 3<sup>rd</sup>.
- Notice was provided to the local free-access cable station to run for 60 second periods at least 5 times per day between the hours of 7:00am and 9:00pm from August 19<sup>th</sup> through September 3<sup>rd</sup>.

# Effective Tax Rate

- The effective tax rate will provide the taxing unit with approximately the same amount of revenue it had the year before on properties taxed in both years.

## EXHIBIT 1: Calculating the Effective Tax Rate

$$\left[ \begin{array}{c} \text{Prior Year's Taxes} \\ \text{Less} \\ \text{Taxes on Property Lost This Year} \\ \hline \text{(divided by)} \\ \hline \text{Current Value of Property} \\ \text{Taxed in the Prior Year} \end{array} \right] \times \$100$$

# Summary of Current and Proposed County Tax Rate

- Current Tax Rate = \$0.282867
- Effective Tax Rate = \$0.277979
- Proposed Tax Rate = \$0.284914
- Variance (Current vs. Proposed) = \$0.002047
- Variance (Effective vs. Proposed) = \$0.006935

The Proposed Tax Rate is 2.494793% above the effective tax rate.

# New Property Value

- New property value generates new revenue for a taxing unit. This helps offset property value losses for new exemptions and special appraisals granted for the first time in the current year.
- The taxing unit deducts new property value from the appraised values in the effective tax rate calculation

# Denton County, Texas

## Effective Rate vs. Proposed Rate

**Sample  
Home Value**

**Effective Rate  
County Taxes**

**Proposed Rate  
County Taxes**

**Annual  
Variance**

**Monthly  
Variance**

Tax Rate per \$100 Value:

**\$0.277979**

**\$0.284914**

\$100,000	\$277.98	\$284.91	\$6.93	\$0.58
\$150,000	\$416.96	\$427.37	\$10.41	\$0.87
\$200,000	\$555.96	\$569.82	\$13.86	\$1.16
\$217,752 (Avg. home value)	\$605.30	\$620.41	\$15.11	\$1.26

•This chart assumes no increase in valuation. Changes in an individual taxpayer's county taxes depend on the specific change in property valuation.

# Denton County, Texas

## Current Rate vs. Proposed Rate

**Sample  
Home Value**

**Current Rate  
County Taxes**

**Proposed Rate  
County Taxes**

**Annual  
Variance**

**Monthly  
Variance**

Tax Rate per \$100 Value:

**\$0.282867**

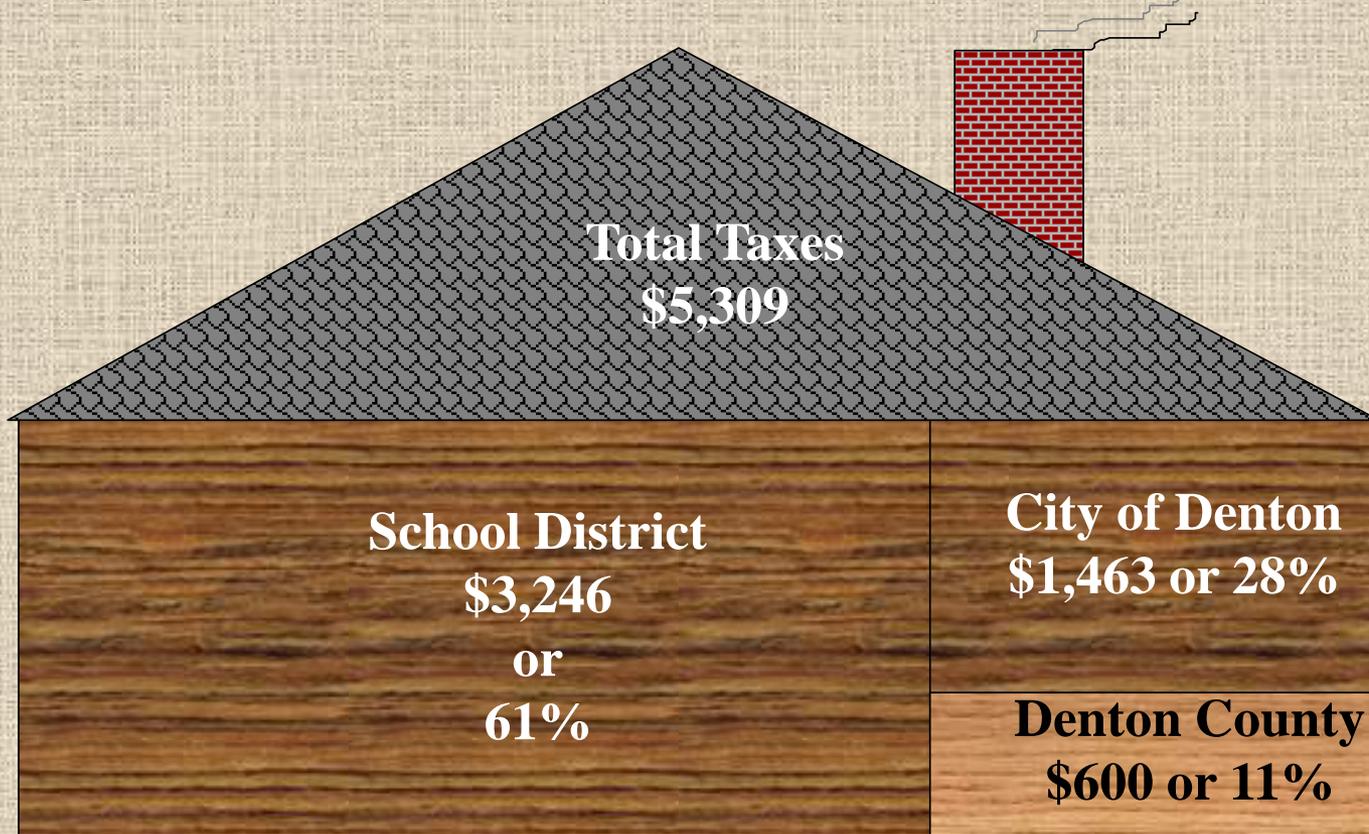
**\$0.284914**

\$100,000	\$282.87	\$284.91	\$2.04	\$0.17
\$150,000	\$424.30	\$427.37	\$3.07	\$0.26
\$200,000	\$565.73	\$569.82	\$4.09	\$0.34
\$217,752 (Avg. home value)	\$615.95	\$620.41	\$4.46	\$0.37

•This chart assumes no increase in valuation. Changes in an individual taxpayer's county taxes depend on the specific change in property valuation.

# Denton County, Texas

## Property Taxes for Average Home Owner City of Denton – Previous Year (Tax Year 2012)



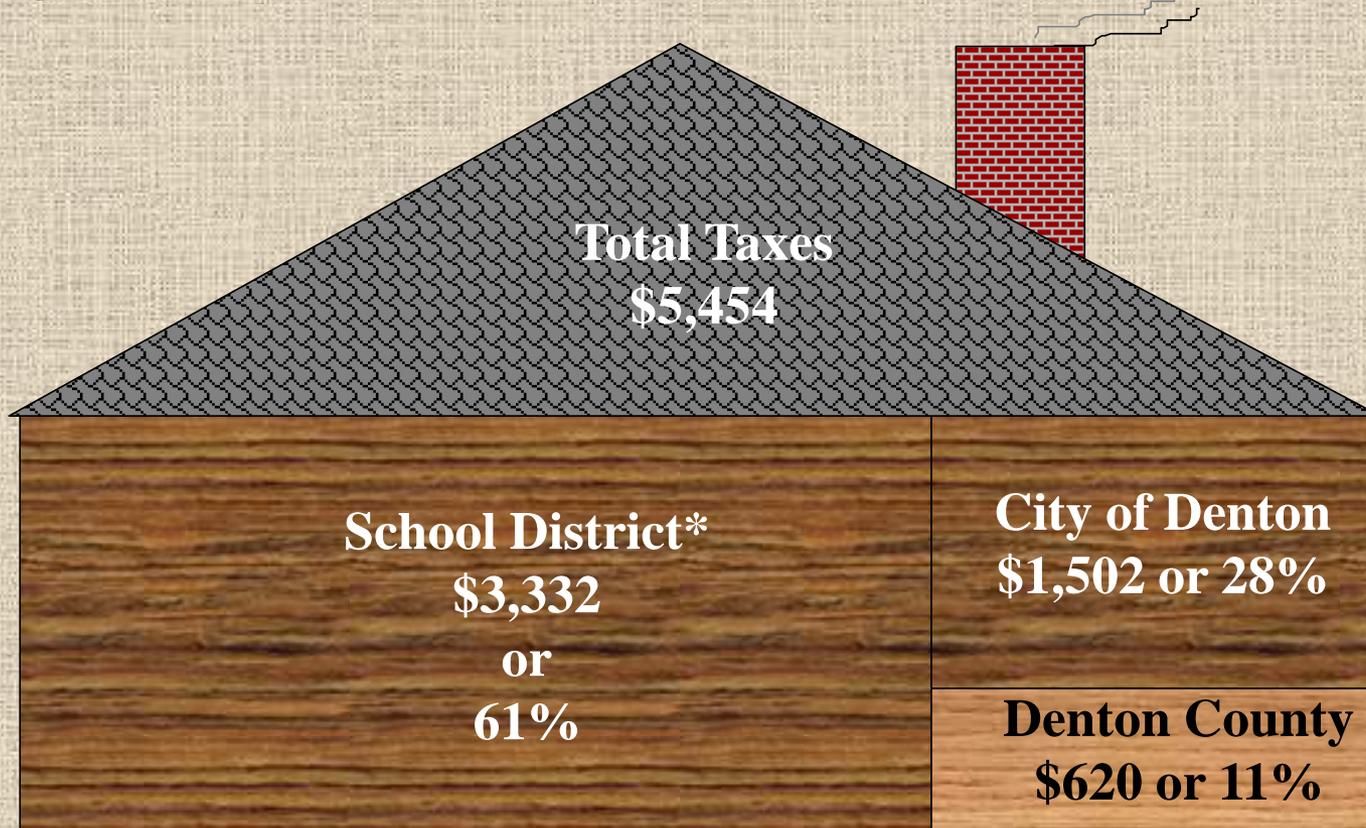
Based on the Average \$212,166 Denton County Home Value

Tax Rates: Denton County \$0.282867 / Denton ISD \$1.530 / City of Denton \$0.68975

# Denton County, Texas

## Property Taxes for Average Home Owner

### City of Denton – Proposed Rates (Tax Year 2013)



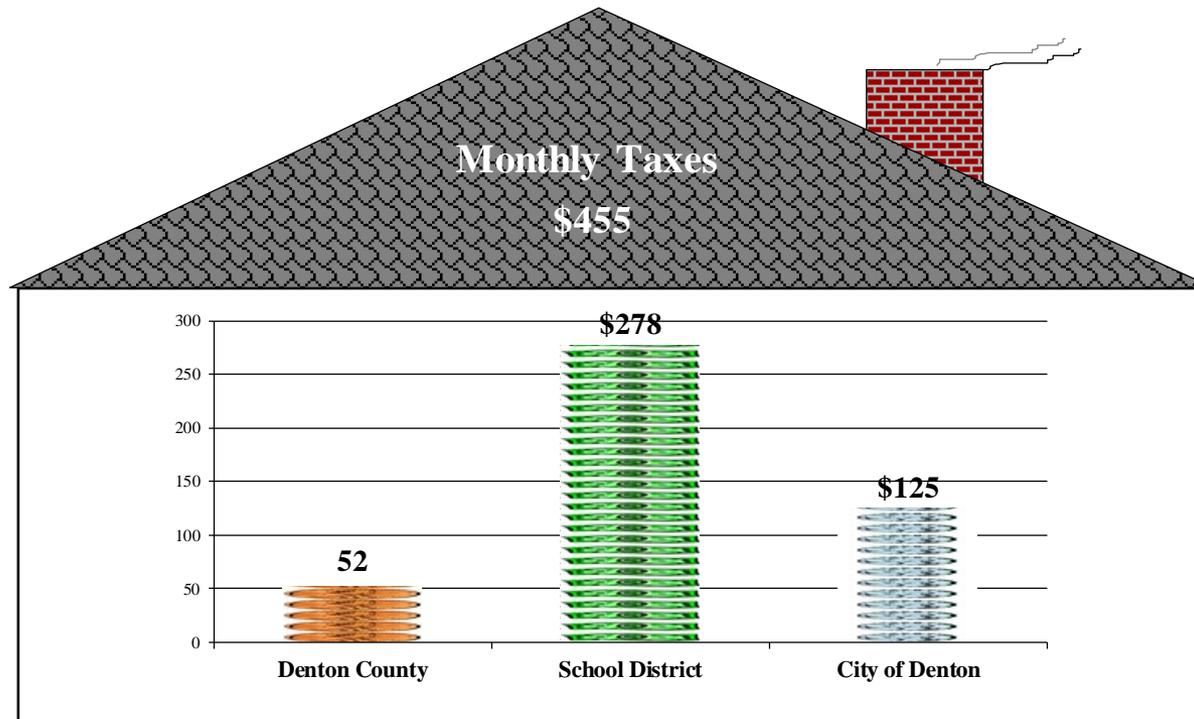
Based on the Average \$217,752 Denton County Home Value

\* Proposed Tax Rates: Denton County \$0.284914 / Denton ISD \$1.530 / City of Denton \$0.68975

# Denton County, Texas

## Average Home Value/Monthly Taxes

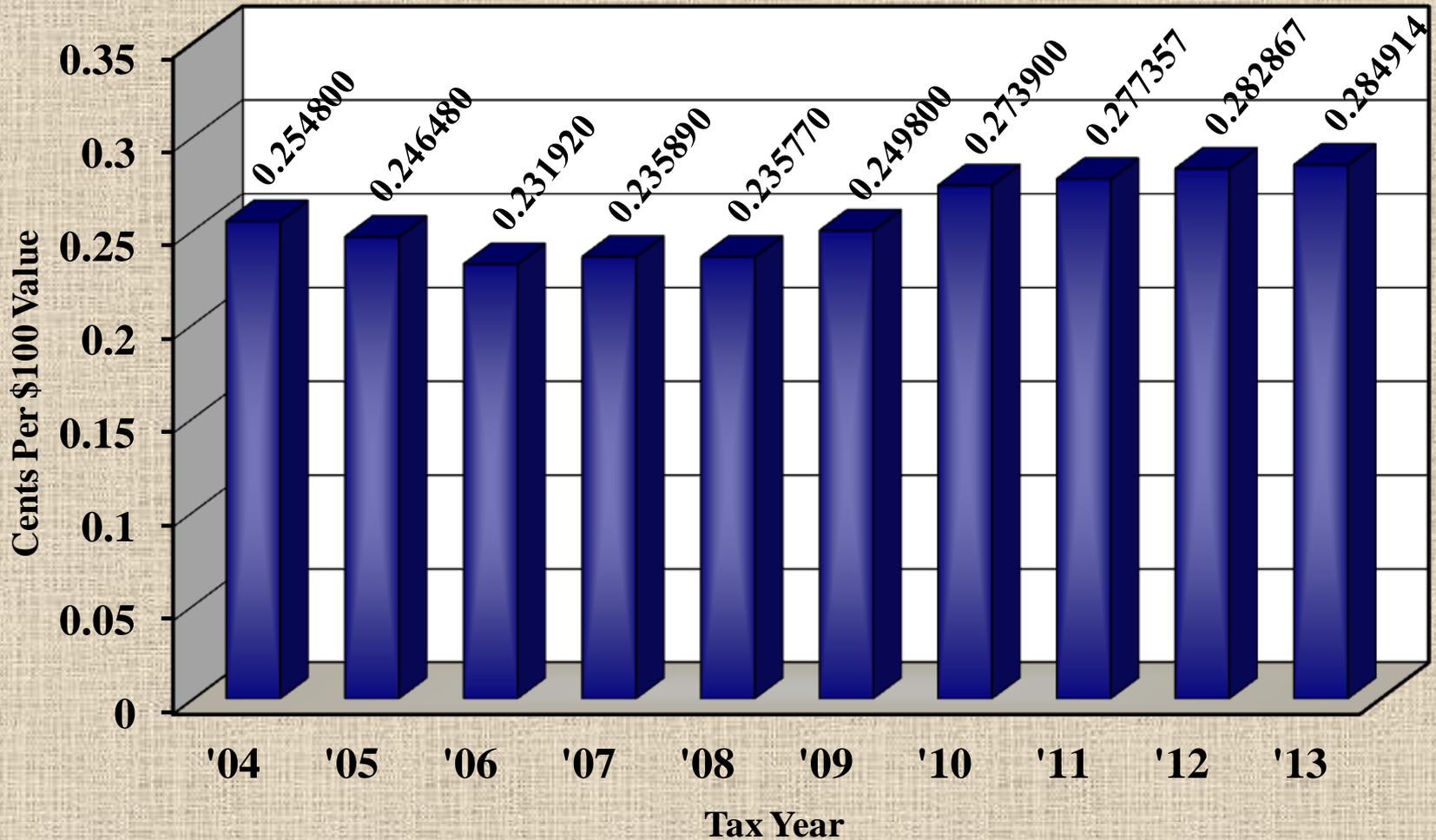
Based on the average Denton County Home Value of \$217,752



Based on proposed tax rates for each entity

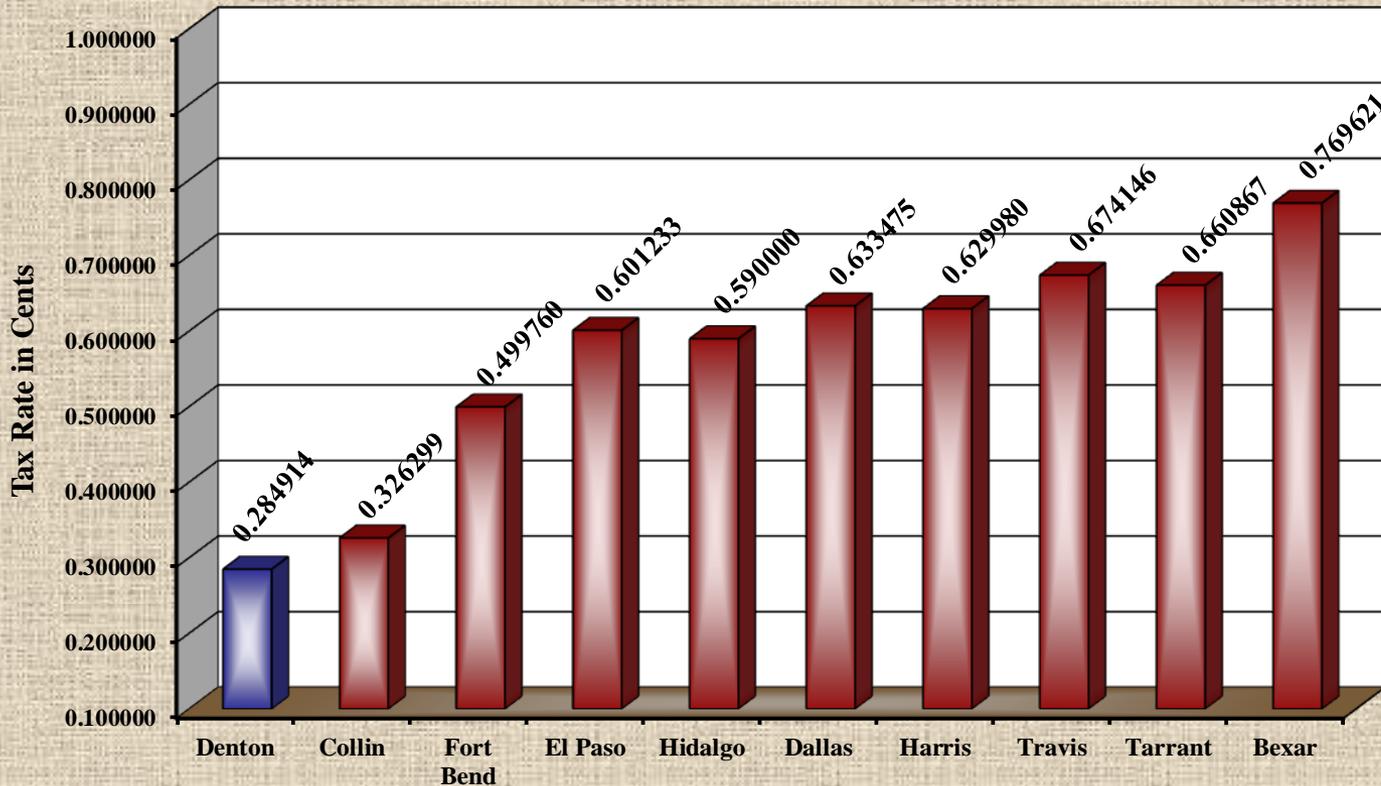
# Denton County, Texas

## Ten-Year Tax Rate History



# Denton County, Texas

## Comparison of Top 10 Texas Counties Combined County-Wide Tax Rates

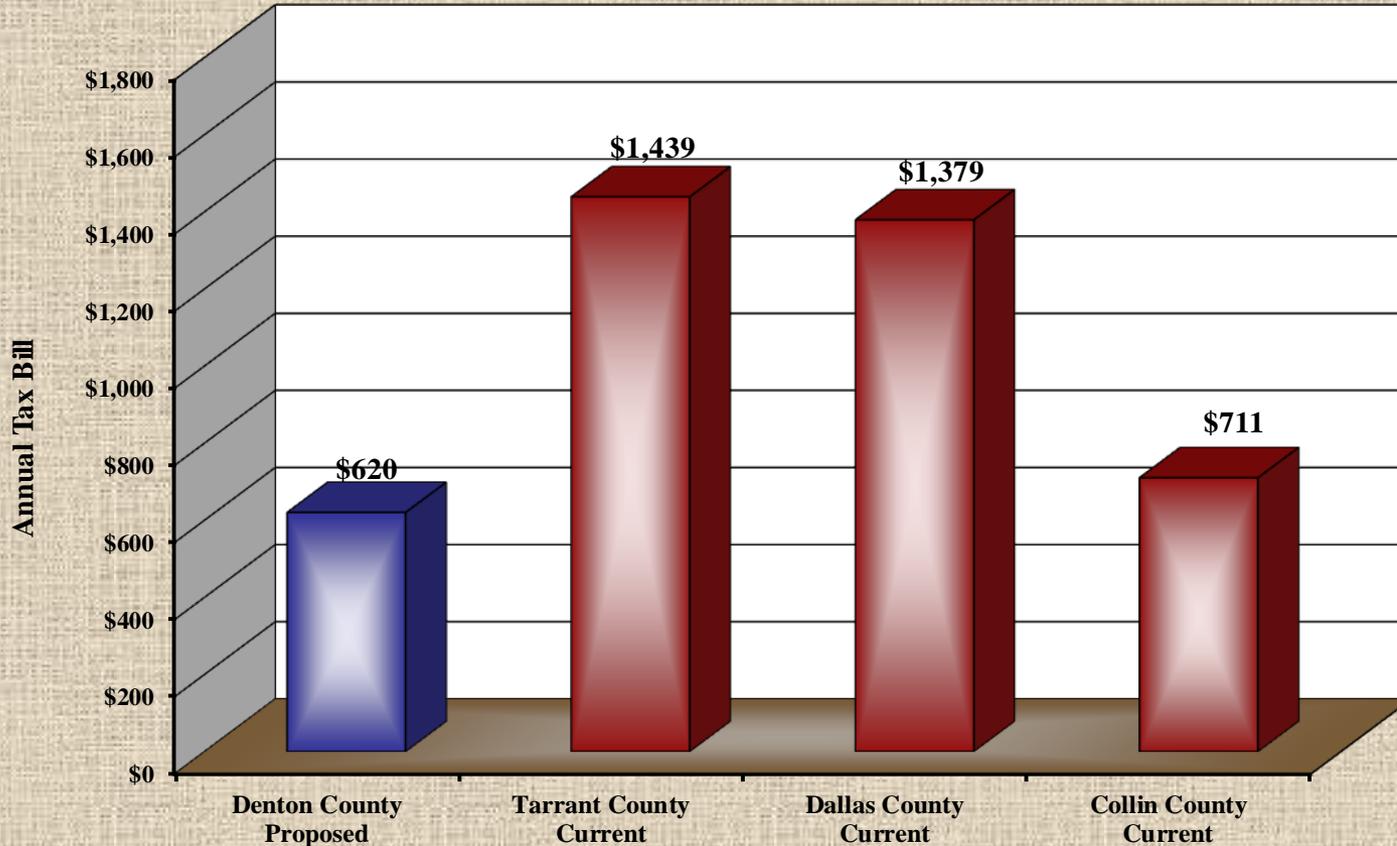


Denton County tax rate is the proposed rate for FY14. Other counties tax rates are the existing FY13 rates.

Includes tax rates assessed county-wide for the county including: Hospital District, Community College, Flood Control, Port Authority, etc.

# Denton County, Texas Tax Bill Comparison

Based on Denton County's average home value of \$217,752



This chart reflects Denton County's proposed tax rate compared to the current tax rate of the other counties.

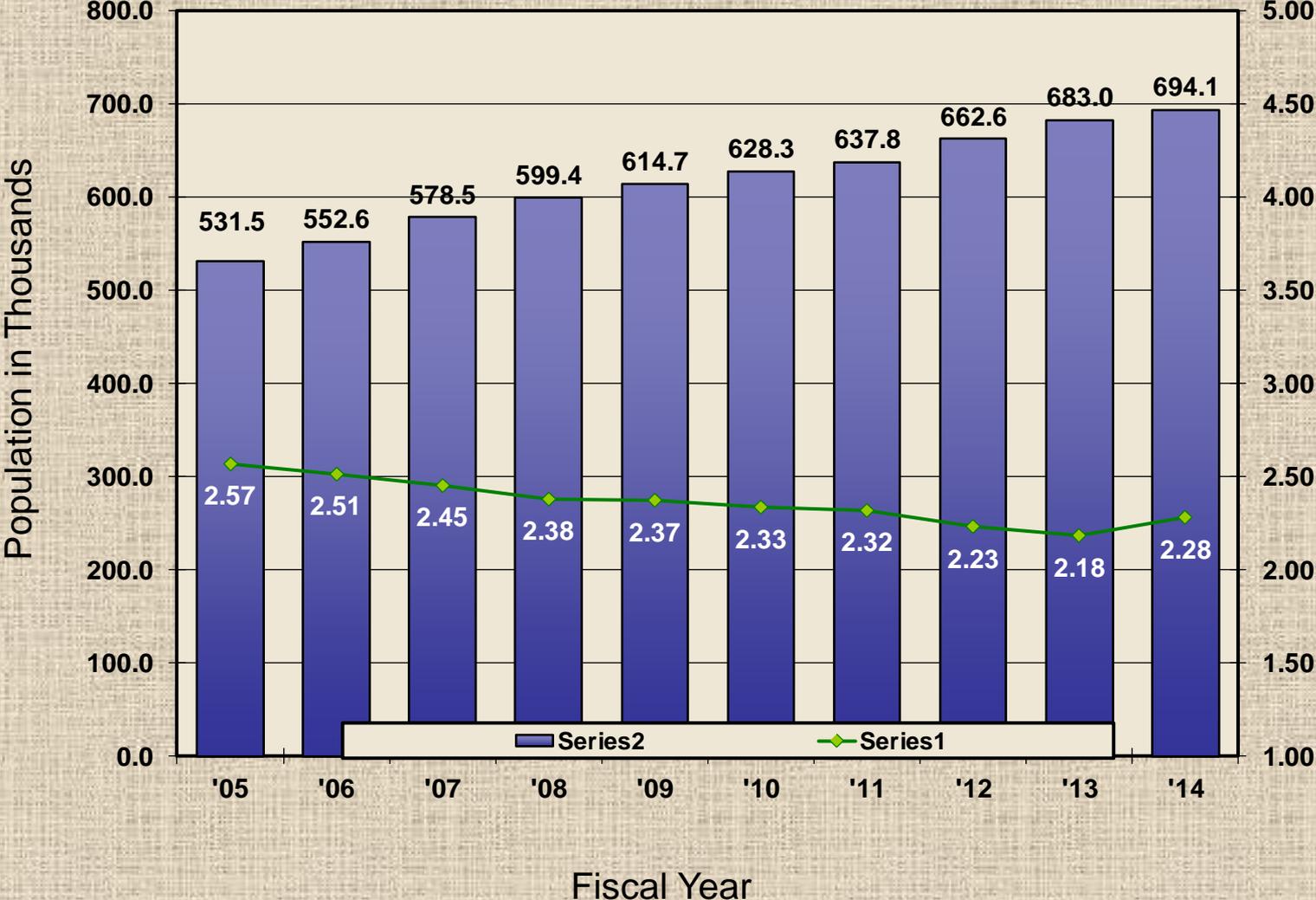
# Top 15 Counties Population/Employee Comparison

<b>County</b>	<b>Population</b>	<b># Employees</b>	<b># Emp Per 1000 Population</b>
<b>Harris</b>	<b>4,180,894</b>	<b>13,310</b>	<b>3.18</b>
<b>Dallas</b>	<b>2,416,014</b>	<b>5,629</b>	<b>2.33</b>
<b>Tarrant</b>	<b>1,849,815</b>	<b>4,629</b>	<b>2.50</b>
<b>Bexar</b>	<b>1,756,153</b>	<b>4,301</b>	<b>2.45</b>
<b>Travis</b>	<b>1,063,130</b>	<b>4,936</b>	<b>4.64</b>
<b>ElPaso</b>	<b>820,790</b>	<b>2,942</b>	<b>3.58</b>
<b>Collin</b>	<b>812,226</b>	<b>1,789</b>	<b>2.20</b>
<b>Hidalgo</b>	<b>797,810</b>	<b>2,936</b>	<b>3.68</b>
<b>Denton</b>	<b>694,050</b>	<b>1,582</b>	<b>2.28</b>
<b>Fort Bend</b>	<b>606,953</b>	<b>2,151</b>	<b>3.54</b>
<b>Montgomery</b>	<b>471,734</b>	<b>2,089</b>	<b>4.43</b>
<b>Williamson</b>	<b>442,782</b>	<b>1,523</b>	<b>3.44</b>
<b>Cameron</b>	<b>414,125</b>	<b>1,665</b>	<b>4.02</b>
<b>Nueces</b>	<b>343,281</b>	<b>1,186</b>	<b>3.45</b>
<b>Brazoria</b>	<b>319,973</b>	<b>1,300</b>	<b>4.06</b>

Denton County information is based on the proposed FY14 budget. Information for other counties is based on FY13 data.

# Denton County, Texas

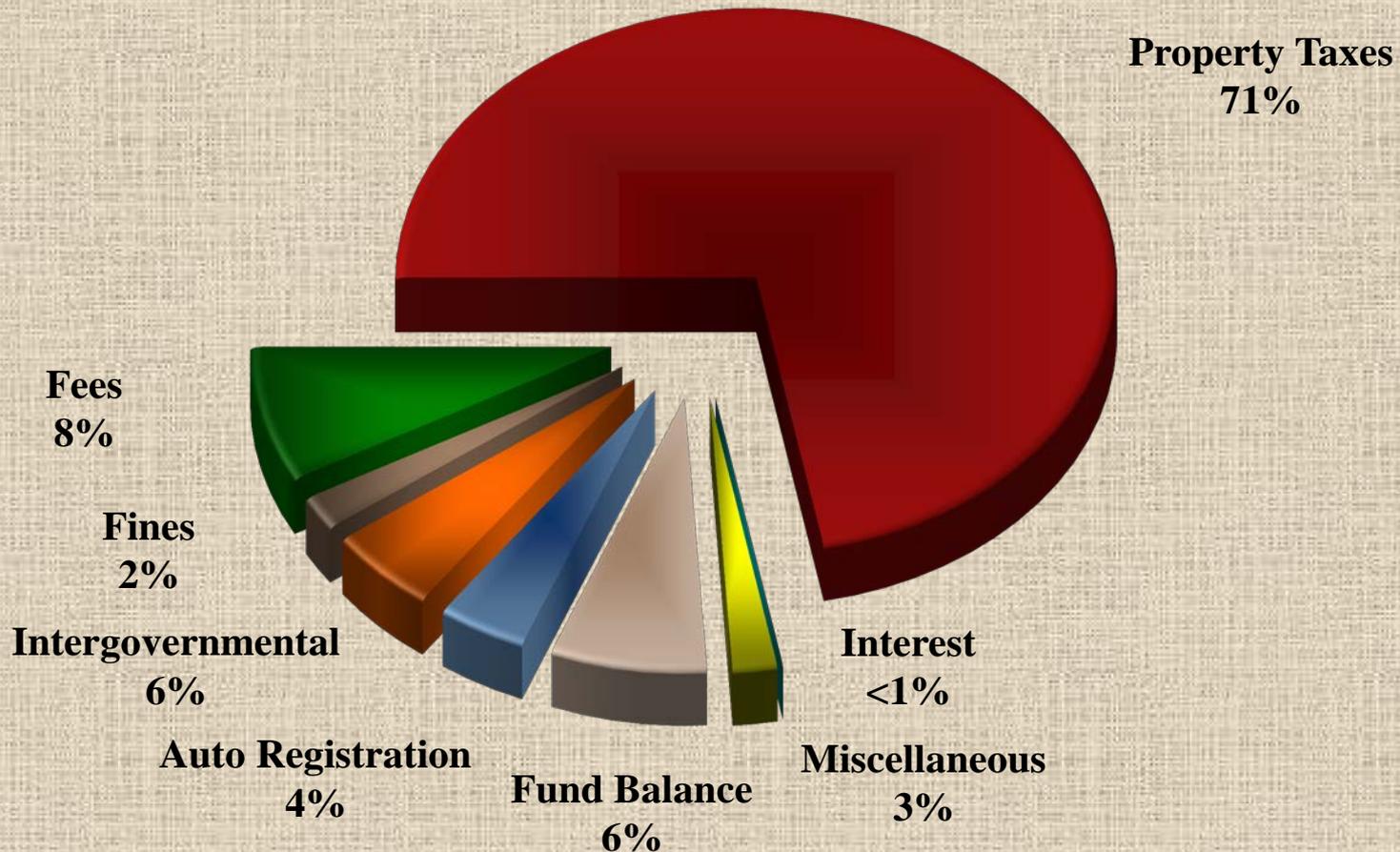
## Number of Employees per Capita



# Denton County, Texas

## Revenue Summary by Function

\$224,110,133



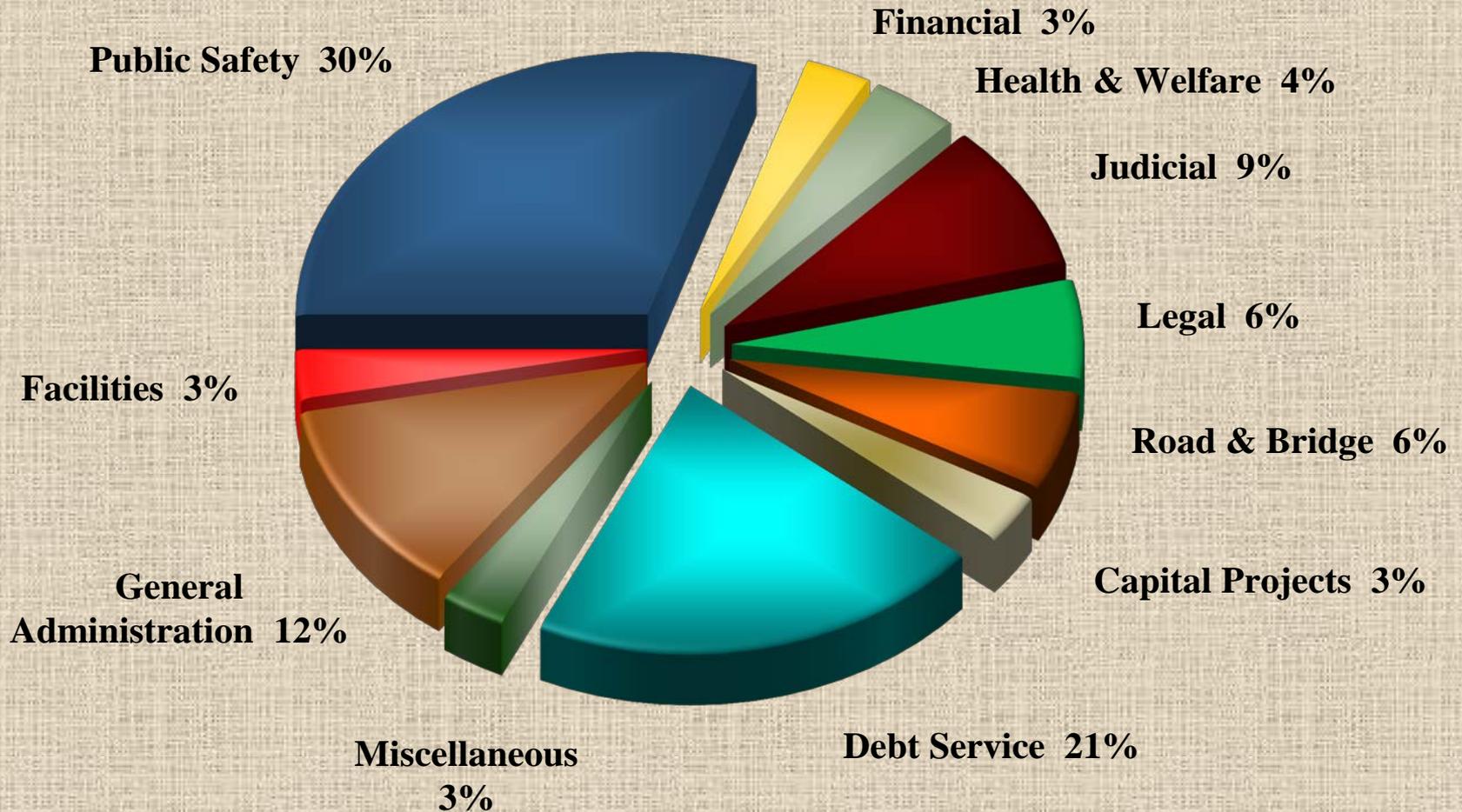
# Functions of Denton County

- **Public Safety**
  - County Jail and Jail Health
  - Sheriff's Department
  - Adult and Juvenile Probation
  - (6) Constables
  - Fire and Ambulance Services
  - Emergency Management/Homeland Security
- **County Roads and Bridges**
- **Judicial/Legal** - Criminal Justice System
  - (21) District, County, & Justice of the Peace Courts
  - Criminal District Attorney
  - District Clerk and Jury Services
  - Medical Examiner Services
  - Security Services
- **Debt Service** – Long Term Debt
  - Roads and Bridges
  - County Facilities
- **Capital Projects**
- **Miscellaneous**
- **Health and Welfare**
  - Health Dept-Clinical & Environmental
  - Child Protective Services
  - Indigent Health Care
- **Financial**
  - County Auditor
  - County Treasurer
  - Tax Assessor/Collector
    - Motor Vehicle Registration/Property Taxes
  - Budget Office
- **General Administration**
  - County Clerk
  - Commissioners Court
  - Human Resources
  - Purchasing
  - Information Services
  - Elections
  - Veterans Service
- **Facilities Management**

# Denton County, Texas

## Expense Summary by Function

**\$224,110,133**



# **Denton County, Texas**

## **Proposed Budget FY 2014 – Major Changes**

- **Increased Debt Payments-Voter Approved Road and Building Projects**
- **Jail & Juvenile Expansion (76 New Hires and Operating Exp) for the new building expansion projects**
- **Salary Increases for Employees/Officials**
- **Health Insurance and Retirement Rate Increases**
- **Capital Replacement Fund**
- **Court Ordered Expenses**
- **Computer Hardware/Software Maintenance Increases**
- **Fire/Ambulance Service Increased Expenses**
- **2 New Hires/Jail Health – Book-in Assessments**

# **Denton County, Texas**

## **Proposed Budget FY 2014 – Major Changes**

- **County Court Judge's Salary Increases (Mandated)**
- **Increased funding for MHMR**
- **Prisoner Medical Expenses**
- **Outside Counsel Expenses**
- **Election-Related Expenses**
- **New Expenses for Veteran's Court including (1) New Hire**
- **New Appellate Attorney and Administrative position for the DA's Office**
- **New Elections Technician Position**
- **Various Reductions**

# Jail Expansion Summary

## Projected Opening Date - August 22, 2014

<b>Department</b>	<b>FY2014</b>	<b>FY2015</b>	<b>Variance</b>
• Law Enfcmt Facility (No new hires)	\$ 119,796	\$ 345,389	\$ 225,593
• Jail – New Hires (#50) (Varying Hire Dates from May-July)	\$ 730,275	\$ 2,727,517	\$1,997,242
• Jail – Operating Expense	\$ 178,147	\$ 485,576	\$ 307,429
• Jail Health – New Hires (#5) (Varying Hire Dates from Feb-Aug)	\$ 151,857	\$ 355,478	\$ 203,621
• Jail Health – Operating	\$ 94,736	\$ 188,335	\$ 93,599
• Sheriff’s – Operating	\$ 0	\$ 6,250	\$ 6,250
<b>GRAND TOTAL</b>	<b>\$ 1,274,811</b>	<b>\$ 4,108,545</b>	<b>\$2,833,734</b>

# Juvenile Expansion Summary

Projected Opening Date - April 30, 2014

<b>Department</b>	<b>FY2014</b>	<b>FY2015</b>	<b>Variance</b>
• Charlie Cole Facility (No new hires)	\$ 59,000	\$ 237,541	\$ 178,541
• Post Adjudication New Hires (#16) (Varying Hire Dates- Oct-April)	\$ 655,813	\$ 878,330	\$ 222,517
• Post – Operating Expense	\$ 52,218	\$ 15,611	\$ (36,607)
• JJAEP (Alt. Educ) - New Hires (#2) (Hire Date – June)	\$ 33,347	\$ 98,366	\$ 65,019
• JJAEP – Operating Expense	\$ 46,857	\$ 16,219	\$ (30,638)
• Jail Health – New Hires (#3) (Hire Date – January)	\$ 117,859	\$ 157,587	\$ 39,728
• Jail Health – Operating	\$ 33,095	\$ 36,795	\$ 3,700
• Juvenile Detention New Hires (#20) (Hire Date October 2014 – FY2015)	\$ 0	\$ 1,147,386	\$1,147,386
• Detention – Operating	\$ 0	\$ 184,100	\$ 184,100
<b>GRAND TOTAL</b>	<b>\$ 998,189</b>	<b>\$ 2,771,935</b>	<b>\$1,773,746</b>

# Jail and Juvenile Expansion Summary

## Budget Impact

<b><u>Department</u></b>	<b><u>FY2014</u></b>	<b><u>FY2015</u></b>	<b><u>Variance</u></b>
• <b>Jail Expansion</b>	<b>\$ 1,274,811</b>	<b>\$ 4,108,545</b>	<b>\$2,833,734</b>
• <b>Juvenile Expansion</b>	<b>\$ 998,189</b>	<b>\$ 2,771,935</b>	<b>\$1,773,746</b>
<b>GRAND TOTAL</b>	<b>\$ 2,273,000</b>	<b>\$ 6,880,480</b>	<b>\$4,607,480</b>

# Denton County, Texas

- **Increased Debt Service Payments-Voter Approved Road Projects**
  - **TRIP '08 Roads, County Judge** **\$ 4,994,615**
  - **County Roads, Pct #1** **7,512,919**
  - **TRIP '08 Roads, Pct #1** **10,631,822**
  - **Sub-Total, Roads, Pct #1** **\$ 18,144,741**
  
  - **TRIP '08 Roads, Pct #2** **\$ 9,250,000**
  
  - **TRIP '08 Roads, Pct #3** **\$ 3,000,000**
  
  - **County Roads, Pct #4** **2,399,150**
  - **TRIP '08 Roads, Pct #4** **2,331,058**
  - **Sub-Total, Roads, Pct #4** **\$ 4,730,208**
  
  - ***TOTAL ROAD PROJECTS*** **\$ 40,119,564**

# Denton County, Texas

- **Increased Debt Service Payments-**

- Voter Approved Technology and Building Projects**

– <b>Fiber Optic Construction</b>	<b>\$ 1,089,690</b>
– <b>Juvenile Case Management System</b>	<b>\$ 655,432</b>
– <b>Data Center Completion/Lewisville Govt. Center</b>	<b>\$ 109,789</b>
– <b>Sound System Replacement Study</b>	<b>\$ 186,500</b>
– <b>Courts Building Data Center Renovation</b>	<b>\$ 880,636</b>
– <b>Cole Building Electronics Upgrade</b>	<b><u>\$ 116,000</u></b>
– <b>Sub-Total, Technology Projects</b>	<b>\$ 3,038,047</b>
– <b>Sandy Jacobs Government Center Renovation</b>	<b>\$ 2,409,600</b>
– <b>Frisco Government Center Project</b>	<b><u>\$ 5,005,800</u></b>
– <b>Sub-Total, Building Projects</b>	<b>\$ 7,415,400</b>
– <b><i>Grand Total-Technology/Building Projects</i></b>	<b><u><u>\$ 10,453,447</u></u></b>

# Denton County, Texas

- **Summary of Voter Approved Projects Included in Debt Service Payments for FY2014:**

– County Roads	\$ 9,912,069
– TRIP '08 Roads	\$ 30,207,495
– Building/Technology Projects	<u>\$ 10,453,447</u>
– <i>TOTAL VOTER APPROVED PROJECTS</i>	<u>\$ 50,573,011</u>

# Denton County, Texas

- **Summary of Approved Tax Note Projects:**

– County-Wide Network/Telephone Refresh	\$ 700,000
– Data Center Completion for Lewisville Gvt. Ctr.	\$ 527,140
– SAN Backup Expansion for Data Growth	\$ 773,829
– Network for New County Facilities	\$ 602,885
– Video System for Jail Expansion	\$ 286,883
– Frisco Government Center Project	\$ 3,736,970
– Repaving/Additional Parking (Law Enfcmnt Ctr)	\$ 398,414
– Pre-Trial Inmate Handling/Transport Remodel	<u>\$ 3,500,000</u>
– <i>TOTAL TAX NOTE PROJECTS</i>	<u>\$ 10,526,121</u>

# Denton County, Texas

## November 4, 2008 Bond Election Results

### Proposition #1

**Road Projects @ \$310 million received 68.22% voter approval  
(Issued to-date \$201,833,062 - Balance to Issue \$108,166,938)**

### Proposition #2

**Building Projects @ \$185 million received 52.25% voter approval  
(Issued to-date \$118,300,876 - Balance to Issue \$66,699,124)**

**Total Projects approved by the voters totaled \$495 million**

# Denton County, Texas

- **The tax rate increase above the calculated effective tax rate.**

**Total Taxable Value in Denton County = \$ 56,727,890,456**

**Total Tax Levy on Effective Tax Rate = \$ 157,691,623**

**Total Tax Levy on Proposed Tax Rate = \$ 161,625,703**

**Actual Increase In Taxes Above the Effective Rate = \$ 3,934,080**

# Denton County, Texas

- **The tax rate increase above the calculated effective tax rate is for various voter approved projects**

**Increase in Taxes for Debt Service Payments = \$ 3,712,651**

**Operating Expenses for Voter Approved Projects = \$ 2,273,000  
(Jail and Juvenile Expansion)**

**Total Increased Debt Payments/Operating Exp = \$ 5,985,651**

**Actual Increase in Taxes Above Effective Rate = \$ 3,934,080**

**Amount Being Funded without Increasing  
the Tax Rate Above the Proposed Rate = \$ 2,051,571**

# Questions / Comments

## Public Participation

- Questions or comments
- Invite public input on the proposed tax rate

# **At the Conclusion of the Public Hearing**

**Announce the date, time and place that the proposed tax rate will be adopted.**

**Recommend scheduling adoption of the tax rate for Tuesday, September 10, 2013 at 10:15am at the Courthouse on the Square, in the Commissioners Courtroom, 110 West Hickory, Denton, Texas.**

**An additional ¼ page notice will be posted in the Denton Record Chronicle, on our web site, and on the Charter Communication free access cable television channel.**

# **Additional Information**

**Proposed budget will be on file in the Budget Office, County Clerk and County Auditor's Office and will be posted on the main page of the web site by Wednesday, September 4, 2013.**

**Public Hearing on the Proposed Budget - 10:00am on Tuesday September 10, 2013 at the Courthouse-on-the-Square in the Commissioners Courtroom.**

**Adoption of the budget is scheduled immediately following the public hearing.**

**Adoption of the tax rate will follow adoption of the budget and the rate is scheduled for adoption at 10:15am on September 10, 2013.**