



Setting Tax Rate for FY 2018-2019
Budget Workshop
September 5th, 2018

\$117,335,372 TOTAL BUDGET FY 2018-2019

48%

General Fund
\$56.9M 437.48 Total FTE



29%

Special Revenue Fund Grants
\$34.4 M 386 Total FTE



3%

Debt Service Fund - Bonds
\$3.1 M Total FTE-None



Capital Projects Fund

\$12.5M Total FTE -None
AB West- Fortis Academy and
various maintenance projects.

11%



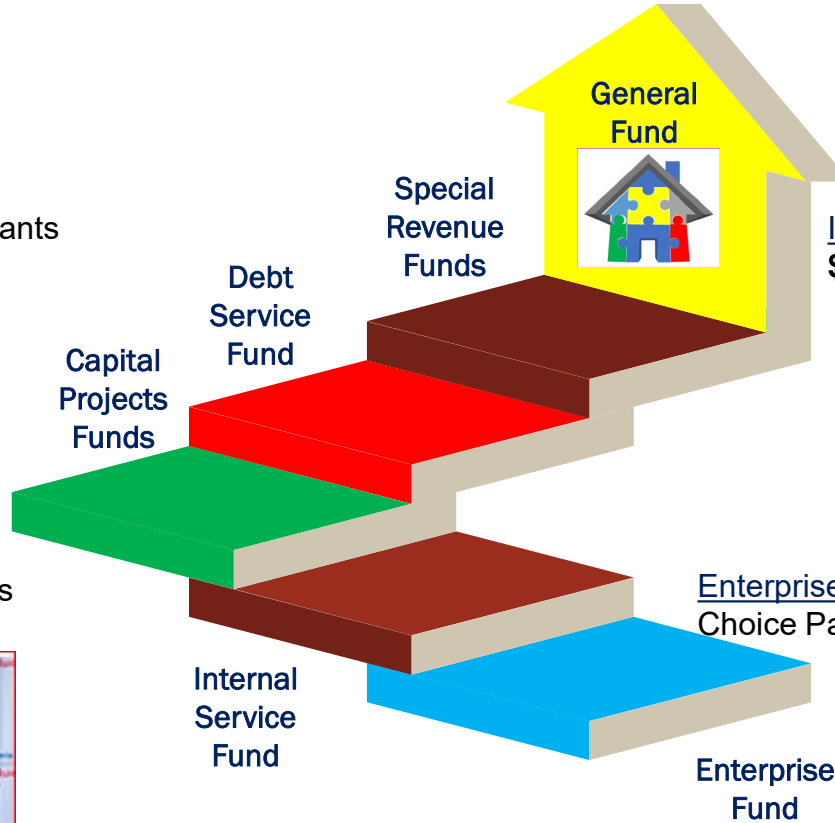
Internal Service Fund - Facilities
\$5.7 M 49.5 Total FTE

5%



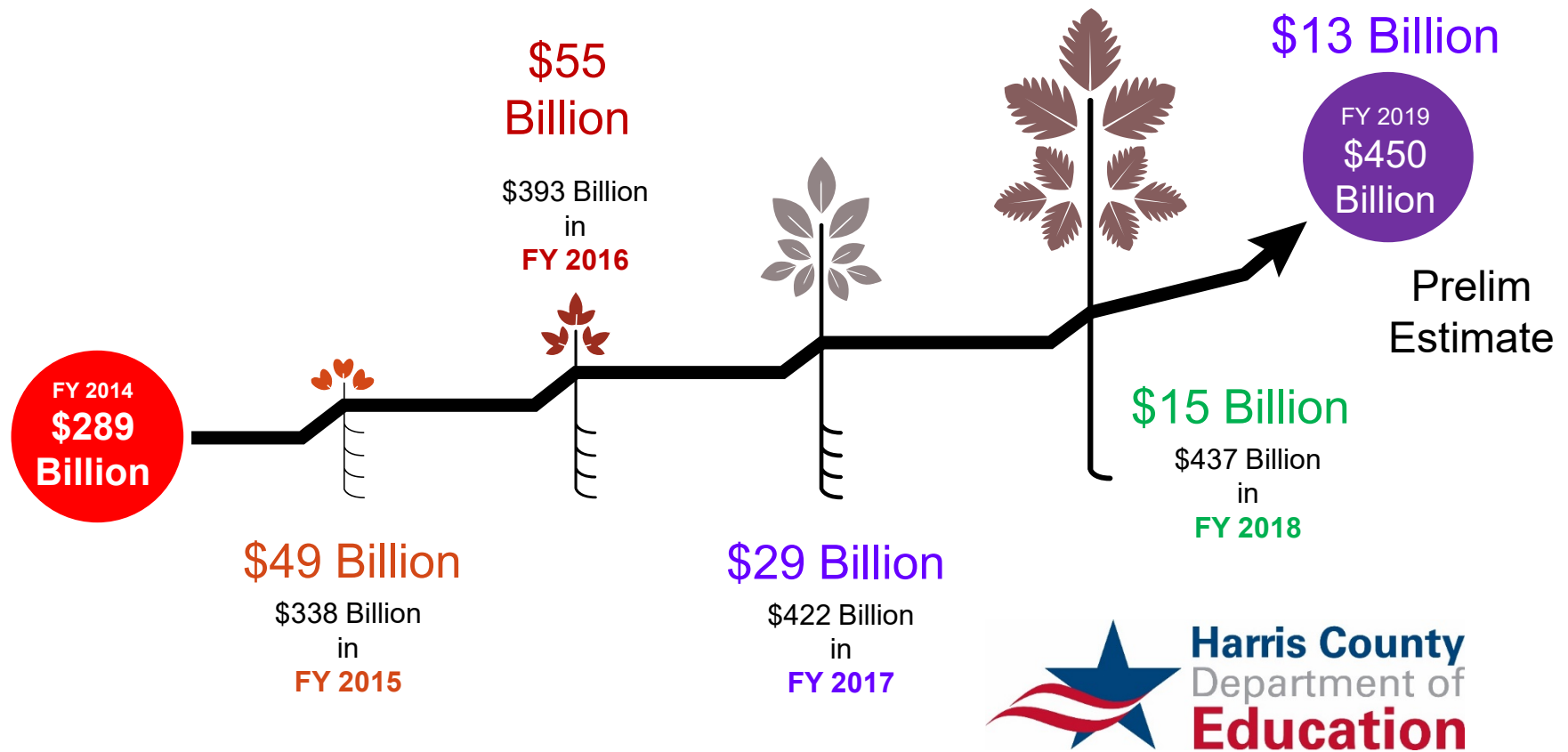
Enterprise Fund **\$4.7M** -18.37 Total FTE
Choice Partners Cooperative.

4%



Property Values Growth

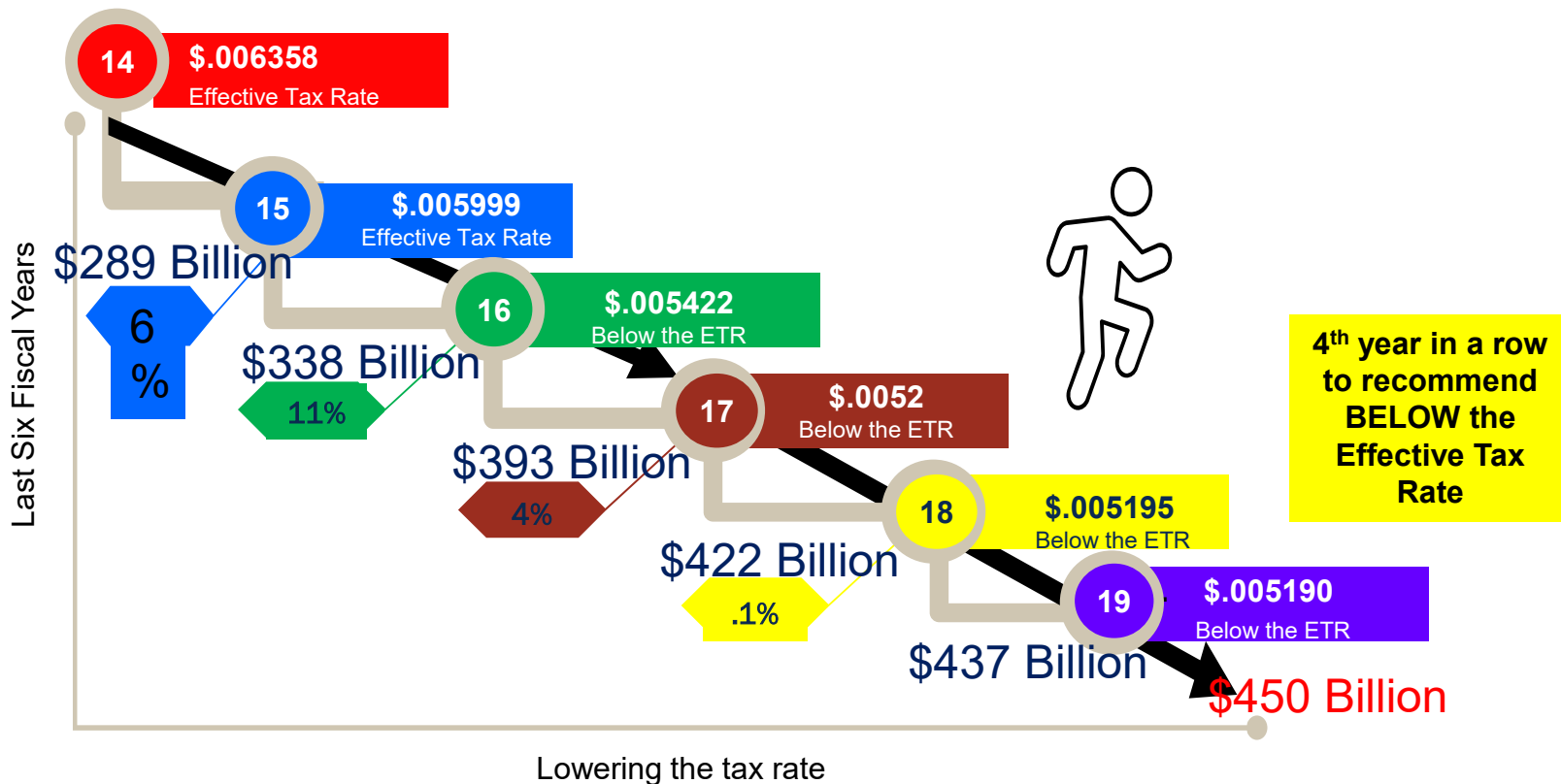
Last Six Fiscal Years



Values came in at \$412B certified and \$37B under protest for \$449.6 B

Six Year History

Property Tax Rate \$.01 Maximum



Setting The 2018 Tax Rate

Definitions



Nominal Rate – Tax rate to generate revenues to support last year’s approved budget; [.005195]

Effective Tax Rate – A calculated rate that provides the taxing unit with the same amount of revenue it received in the year before--on property taxed in both years. TY17 [.005236] TY18 [.005279]

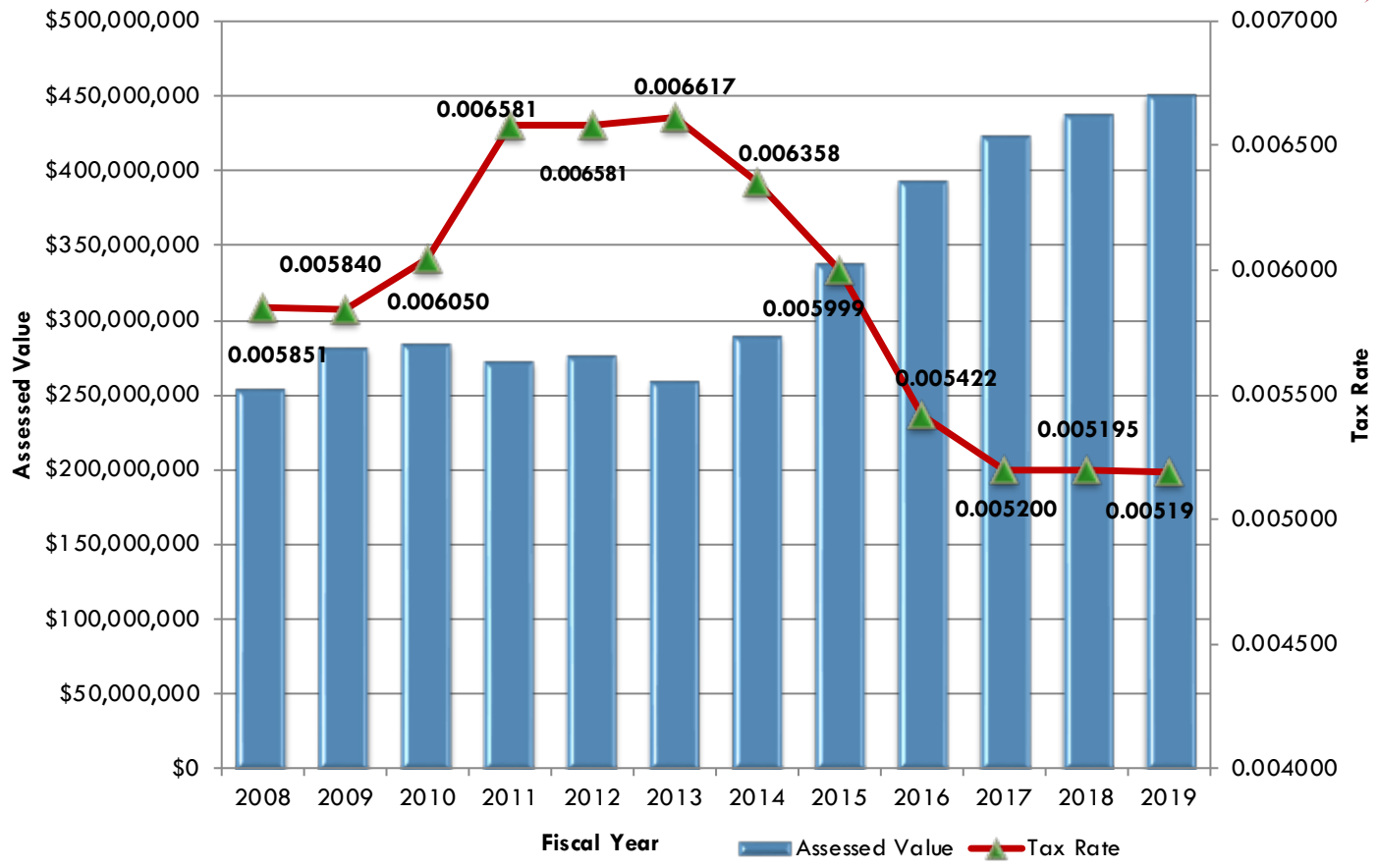
Rollback Tax Rate – A calculated maximum rate allowed by law without voter approval. The rollback rate provides the taxing unit with about the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra eight percent increase for those operations plus sufficient funds to pay debts in the coming year. [.005701]

Maintenance & Operations (M&O) Rate – Tax rate to generate revenues to support general operating expenditures. [.005190]

Debt Service Rate (Sometimes referred to as Interest & Sinking or I&S) – Tax rate to generate revenues obligated for repayment of indebtedness. *HCDE currently does not have an I&S rate. All debt is backed by M&O taxes and revenues and not I&S.* N/A [.000000]

Total Tax Rate – The M&O and I&S tax rates combined. [.005190]

HCDE Property Values and Taxes






August 2018 Monthly Tax Collection Report

TAX YEAR 2017 COLLECTION SUMMARY					
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
REVENUES:					
Current Tax	\$22,273,000	0	22,226,355	46,645	99.8%
Delinquent Tax	155,000	24,972	7,983	147,017	5%
Penalty & Interest	180,000	25,664	185,155	(5,155)	103%
Special Assessments and Miscellaneous	15,000	277	17,800	(2,800)	119%
Subtotal Revenues:	\$22,623,000	50,913	22,437,294	\$185,707	99.2%
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
EXPENDITURES:					
LESS: HCAD Fees	\$180,000	\$0	\$164,703	\$15,297	92%
LESS: HCTO Fees	443,390	\$1,265	\$444,655	(1,265)	100%
Subtotal Expenditures:	\$623,390	\$1,265	\$609,358	\$14,032	98%
Net Tax Collections:	\$21,999,610	\$49,648	\$21,827,936	\$171,674	99.2%

Revised Proposal Below Effective Tax Rate

Harris County Department of Education Comparative Analysis of Property Values				
	A	B	C	D
	Adopted	CURRENT February	If Proj at \$440 Bill BUDGET PRELIM	Actual Estimate Per HCAD
	ADOPTED TAX RATE	ADOPTED TAX RATE	Including NEW Improvements Estimated TAX RATE	Including NEW Improvements Estimated TAX RATE
Proposed Collections Tax Year 2018	0.005195	0.005195	0.005167	0.005190
Certified Taxable Value per HCAD *	\$ 399,079,153,088	\$ 435,918,094,076	\$ 426,959,977,243	\$ 412,526,038,722
Values under protest or not certified	36,649,820,444	2,817,805,053	13,513,460,916	37,168,447,726
	435,728,973,532	438,735,899,129	440,473,438,159	449,694,486,448
/ Rate per Taxable \$100	4,357,289,735	4,387,358,991	4,404,734,382	4,496,944,864
X Tax Rate	22,636,120 98%	22,792,330	22,759,263	23,339,144
X Estimated collection rate	22,273,942	22,427,653	22,531,670	23,101,085
New Improvements	80,728		778,370	
Delinquent that was refunded in FY 18	177,000			
	22,531,670		\$ 23,310,040	\$ 23,101,085
+Delinquent Tax Collections	177,000	155,000	-	-
+Special Assessments	15,000	15,000	15,000	15,000
+ Penalty & Interest	180,000	180,000	150,000	150,000
Estimated Current Tax Available for Operations:	\$ 45,435,341	\$ 22,777,653	\$ 23,475,040	\$ 23,266,085
Impact on \$200,000 Residence Net Gain or Loss on values				10.38
				 Recommended

Current Tax Rate (Nominal)	.005195
Effective Tax Rate	.005279
Recommended (M&O) Tax Rate	<u>.005190</u>
Rollback Tax Rate	.005701



NEXT STEP

Motion to approve the tax rate of \$0.005190 for Tax Year 2018