



Travis County Commissioners Court Agenda Request

Meeting Date: 06/05/2012

Prepared By/Phone Number: Tien Dao/854-3988

Elected/Appointed Official/Dept. Head: Tina Morton

Commissioners Court Sponsor: County Judge Sam Biscoe

AGENDA LANGUAGE:

- CONSIDER AND TAKE APPROPRIATE ACTION ON ASSUMPTIONS FOR TRAVIS COUNTY REGARDING THE FOLLOWING:
 - A. PROPERTY TAX CONSIDERATIONS AND

 - B. 2012 PARCEL FEE RATE. (TAX ASSESSOR-COLLECTOR)

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:

STAFF RECOMMENDATIONS:

ISSUES AND OPPORTUNITIES:

FISCAL IMPACT AND SOURCE OF FUNDING:

REQUIRED AUTHORIZATIONS:

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, Cheryl.Aker@co.travis.tx.us by Tuesdays at 5:00 p.m. for the next week's meeting.



TRAVIS COUNTY TAX OFFICE
TINA MORTON
TAX ASSESSOR AND COLLECTOR

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May 23, 2012

MEMORANDUM FOR THE COUNTY JUDGE SAM BISCOE
PRECINCT 1, COMMISSIONER RON DAVIS
PRECINCT 2, COMMISSIONER SARAH ECKHARDT
PRECINCT 3, COMMISSIONER KAREN HUBER
PRECINCT 4, COMMISSIONER MARGARET GÓMEZ

FROM: Tina Morton, Tax Assessor-Collector

SUBJECT: Property Tax Rate Considerations and 2012 Parcel Fee Rate

Property Tax Rate Considerations

Each year there are several items the Commissioners Court must consider when establishing tax rates and budget forecasts for Travis County. We and the Planning and Budget Office recommend the Court adopt the following parameters:

- A. Anticipated Collection Rate (for Effective Tax Rate Calculations): 100% (lower estimates may be used only with justification).
- B. Debt Buy Down: The debt service (and resulting debt rate) may be reduced using year-end or reserve balances from the bond or general fund. We recommend no buy down of the debt rate.
- C. Optional Homestead Exemption: \$5,000 or 20% (whichever is greater).

As the Court may take action at a later time, we note the current policy but recommend no action at this time for the following parameters:

- D. Over 65 and Disabled Optional Homestead Exemptions: Currently \$65,000.
- E. Historic Exemptions: Currently 100% on the structure and 50% on the land for residences or non-profit agencies; and 50% on the structure and 25% on the land for all other historic properties.

2. 2012 Parcel Fee Rate

In accordance with Texas Property Tax Code, Sec.6.23, 6.24, and 6.27, we have attempted to fairly allocate expenses incurred while assessing and collecting for all taxing jurisdictions involved in Travis County's consolidated collection program for the 2012 tax year. Per the costing model used in years past, these tax collection expenses include:

- ACCOUNTING - Reconciliation of collections; report and fund disbursements.
- DELINQUENT COLLECTIONS - Administrative and legal costs to research, process, and collect delinquent taxes.
- EFFECTIVE TAX RATE AD - Newspaper publication notices required by Texas Property Tax Code Sec.26.04 (e).
- EFFECTIVE TAX RATE CALCULATIONS - Compilation and calculation of information required by Texas Property Tax Code Sec.26.04.
- INFORMATION SYSTEMS LABOR SUPPORT - ITS labor support costs.
- COMPUTER/RPD SYSTEM ANNUAL UPKEEP - Annual maintenance supplies, printing and licensing costs.
- COMPUTER SYSTEM COST - AS/400 system annualized costs based on a five year pay out.
- SPECIAL CONSIDERATIONS / PURCHASES - Expenses incurred in addition to the above.

The fair sharing of costs allocated to the jurisdictions is solely based on the relative number of parcels. The allocated expenses and per parcel fee calculation are shown on the attached.

The Planning and Budget Office recommends the Court adopt the calculated 2012 parcel fee rate of \$1.03. The current parcel fee rate is \$0.96.

If my staff or I can be of further assistance, please do not hesitate to call me at 4-9632.

Attachment: Tax Year 2012 Parcel Rate Calculations and Parcel Rate Fact Sheet

TM/td

cc: Leslie Browder, Executive Manager, Planning and Budget
Jessica Rio, Budget Director, Planning and Budget
Leroy Nellis, Planning and Budget
Susan Spataro, County Auditor

TAX YEAR 2012 PARCEL RATE CALCULATIONS

Prepared by the Travis County Tax Office

PROPERTY TAX COLLECTION EXPENSES (Jurisdiction Allocation)	
Accounting	\$ 218,367
Delinquent Collections	
Compliance Division	\$ 493,909
Legal (Atty ad litem) & Tax Sale Costs	\$ 27,250
County Attorney Collections Division	\$ 745,272
Effective Tax Rate Ad	\$ 17,987
Effective Tax Rate Calculations	\$ 18,840
Information Systems Labor Support	\$ 20,039
Computer/RPD System Annual Upkeep	\$ 46,430
Computer System Cost	\$ 9,178
Special Considerations / Purchases	\$ 0
TOTAL ALLOCATED COLLECTION COSTS	\$ 1,597,272

PER PARCEL RATE CALCULATION (Jurisdictions other than Travis County)	
1,548,086 Parcel Count ÷ Costs =	\$ 1.03

PARCEL RATE REVENUES (Revenue may differ from costs due to rounding)	
Parcel Rate x Parcel Count =	\$ 1,594,529



May 23, 2012

PARCEL RATE FACT SHEET

Summary

- The calculated 2012 parcel fee rate is \$1.03.
- Calculated rate is 7 cents higher than the current (2011) parcel fee rate.
- The 2012 projected revenue is \$1,594,529.
- Projected revenue is \$116,902 more than the 2011 projected revenue.
- There are 0 jurisdictions new to the Travis County Tax Office.
- The 2012 parcel count for jurisdictions in Travis County excluding the County is 1,548,086.
- Parcel count is 8,891 more than 2011 parcel count used in calculations.

Special Notes

Preliminary Budget will likely have a 3.5% increase in compensation, 5.68% increase in healthcare and a 5.05% increase in retirement.

Increases in existing personnel costs and a new internal auditor position in our accounting department comprise the majority of the parcel fee increase.