



M E M O R A N D U M

TO: Mayor & Council Members

FROM: Ed Van Eenoo, Deputy Chief Financial Officer *EV*

DATE: August 27, 2014

SUBJECT: Revised Property Tax Impact as a result of Tax Roll Certification

The Travis Central Appraisal District (TCAD) certified its tax roll on Tuesday, August 12. When added to the certified property rolls from Williamson and Hays Counties, fiscal year 2014-15 certified taxable property values for the City of Austin total \$98,732,872,327, an increase of 11.6% from the prior year's certified roll.

As part of submitting the certified roll, TCAD also provides us with the median taxable value of residential single-family properties within both Travis County and the City of Austin. City financial staff rely on this value to calculate the impact to the typical homeowner of proposed changes to the property tax rate. In July, TCAD estimated that this median residential home value would be \$196,500 in FY15, based on property value data available at the time and on the historical rate of residential value lost due to protests in the final weeks leading up to certification. Ultimately, however, value loss due to protests over this time frame came in significantly lower than the level experienced in prior years. As a result of this greater-than-anticipated success in defending property value appraisals against protests, TCAD has updated the median residential single-family home value for FY15 to \$202,254. At the proposed property tax rate of 48.09 cents per \$100 of assessed value, the property tax bill on the median-value home of \$202,254 is \$973, an increase of \$42 over the prior year.

The table on the following page contains an updated schedule of the projected FY15 tax and fee impacts to a typical homeowner, including this revised property tax impact. In addition to the updated median home value, the table also reflects changes to Austin Energy's rate schedule from the time that the proposed budget was presented to Council on July 31st. Lastly, two scenarios have been provided for the Austin Water Utility rate impact: One showing a reduced level of water consumption from 2014 to 2015 and one showing a fixed level of water consumption.

If you have any questions regarding these figures, please contact me at extension 4-2638.

City of Austin FY 2015 Tax and Fee Impact Analysis:

Description	2014 Monthly Rate	2015 Proposed Rate	Monthly Dollar Change	Typical Ratepayer
Austin Energy	\$105.18	\$107.90	\$2.72	residential customer usage of 1,000 Kwh
Austin Water Utility	\$88.30	\$90.92	\$2.62	typical residential customer usage dropping from 8,000 gallons of water in 2014 to 7,000 in 2015 and 4,700 gallons of wastewater in both years
Austin Resource Recovery	\$19.75	\$21.60	\$1.85	residential customer using a 64-gallon cart
Clean Community Fee	\$6.65	\$7.40	\$0.75	per single-family home
Transportation User Fee	\$7.80	\$8.25	\$0.45	per single-family home
Drainage User Fee	\$9.20	\$9.80	\$0.60	per single-family home
Property Tax Bill	\$77.56	\$81.05	\$3.49	based on certified median home value of \$202,254
Total	\$314.44	\$326.92	\$12.48	combined projected increase of 4.0%

Alternative Austin Water Utility Rate Impact Analysis:

Austin Water Utility	\$81.13	\$90.92	\$9.79	typical residential customer usage at 7,000 gallons of water and 4,700 gallons of wastewater in both years
Total	\$307.27	\$326.92	\$19.65	combined projected increase of 6.4%

cc: Marc Ott, City Manager
Deputy City Manager
Assistant City Managers
Chief Financial Officer