



City of Saginaw

City of Saginaw

Meeting Date: 09/01/2015

Staff Contact: Nan Stanford
City Manager

Agenda Item: 5
(CC-0915-05)

E-mail: nstanford@saginawtx.org

Phone: 817-232-4640

SUBJECT: **Public Hearing** – Proposed 2015 Property Tax Rate for Fiscal Year 2015-2016

BACKGROUND/DISCUSSION:

This is the first of two required public hearings to be held for public input on the proposed 2015 tax rate. This item is for public input only. Other than holding the public hearing, no action will be taken.

FINANCIAL IMPACT:

This public hearing is necessary to adopt the proposed tax rate of 54.4 cents, which is a primary funding source of the fiscal year 2015-2016 budget.

RECOMMENDATION:

After the public hearing is closed, the Mayor must announce that the 2nd public hearing on the proposed tax rate increase will be held on September 8, 2015 at 6:00 p.m. at the Saginaw City Hall and that the adoption of the proposed tax rate increase will be considered at the City Council Meeting on September 15th, 2015 at 6:00 p.m. at the Saginaw City Hall.

NOTE: THESE ANNOUNCEMENTS ARE VERY IMPORTANT AND MUST BE MADE TO SATISFY THE TRUTH IN TAXATION LAW REQUIREMENTS.

Attachments

Public Hearing Notice
August 18th City Council Minutes
Memo from Kim Quin

NOTICE OF 2015 TAX YEAR PROPOSED PROPERTY TAX RATE FOR SAGINAW

A tax rate of \$0.544000 per \$100 valuation has been proposed for adoption by the governing body of Saginaw. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

PROPOSED TAX RATE	\$0.544000 per \$100
PRECEDING YEAR'S TAX RATE	\$0.510000 per \$100
EFFECTIVE TAX RATE	\$0.499468 per \$100
ROLLBACK TAX RATE	\$0.575159 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for Saginaw from the same properties in both the 2014 tax year and the 2015 tax year.

The rollback tax rate is the highest tax rate that Saginaw may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

City of Saginaw
Assistant Finance Director
333 W. McLeroy Blvd.
817-230-0332
kquin@saginawtx.org
ci.saginaw.tx.us

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: September 1, 2015 at 6:00 PM at Saginaw City Hall, 333 W McLeroy Blvd..

Second Hearing: September 8, 2015 at 6:00 PM at Saginaw City Hall, 333 W McLeroy Blvd..

- (11) CC-0815-13
Presentation of Effective Tax Rate and Action to Place Adoption of Proposed Tax Rate on September 15, 2015 Agenda and Schedule Public Hearings on September 1, 2015 and September 8, 2015 for the Proposed Tax Rate

City Manager Stanford explained that the effective tax rate is .499468 and the roll back rate is .575159. The current tax rate is .51. She stated that State Law requires certain Truth-in-Taxation procedures that must be followed if the Council increases the tax rate above the effective rate or rollback rate, whichever is lower. The proposed 2015 tax rate is .544000. Therefore the Council must take action to place the adoption of the tax rate on the September 15, 2015 agenda, and schedule two public hearings on the proposed tax rate (September 1st and September 8th).

Motion was made by Mayor Pro-Tem Flory with a second by Councilmember Farr to place the adoption of the proposed tax rate of .544000 which is an increase of 8.92% above the effective rate on the September 15th agenda and schedule two public hearings on September 1st and September 8th for the proposed tax rate increase. Motion carried unanimously. 7-0-0-0

For: Mayor Brinkley, Mayor Pro-Tem Flory, Councilmembers Farr, Flippo, Tankersley, Barngrover, and Nethery

Against: None

Abstain: None

Absent: None



City of Saginaw

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817-232-4640
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MEMORANDUM

DATE: August 10, 2015

TO: Nan Stanford, City Manager
Dolph Johnson, Assistant City Manager/Finance Director

FROM: Kim Quin, Assistant Finance Director/Budget Analyst

CC: Janice England, City Secretary

SUBJECT: City Council actions required to adopt the FY15/16 tax rate and budget

Attached is the Notice of Proposed Property Tax Rate that is required by state law and must be published in the Star Telegram and posted on the City's website before Tuesday, September 1, 2015.

The effective tax rate is .499468 and the rollback tax rate is .575159. The proposed 2015 tax rate is .544000. State law requires certain Truth-In-Taxation procedures must be followed if the City increases the tax rate above the effective tax rate or the rollback tax rate, whichever is lower. The proposed tax rate is 8.92% higher than the effective tax rate and will generate 9.9% more tax revenues than last year.

Therefore, if the City Council plans to adopt the proposed tax rate of .544000 and FY15/16 budget, the Truth-In-Taxation requirements are triggered and the following procedures must be followed:

- File a copy of the FY15/16 Proposed Budget with the City Secretary and post to the City website by August 21st.
- At the August 18th City Council Meeting, the Council must vote to consider a tax rate of .544000 which is an increase of 8.92% above the effective tax rate. A motion must be made to propose that the Council place on the September 15th agenda the adoption of the proposed tax rate and schedule two public hearings, September 1st and September 8th, on the proposal for increasing the tax rate.
- At the September 1st Council Meeting, the City Council will hold the first public hearing on the tax rate increase. The City Council will not take any action on the tax rate at this meeting, but will hear any public comments about the proposed tax rate. After the end of the Public Hearing, the City Council must announce the date, time, and location at which they will vote on the tax rate.

- At the Special Council Meeting on September 8th, the City Council will hold the second public hearing on the tax rate increase. The City Council will hear any public comments about the proposed tax rate. After the end of the Public Hearing, the City Council must announce the date, time, and location at which they will vote on the tax rate.
- On September 4th the City must advertise a public hearing on the FY 15/16 Proposed Budget. This advertisement will state the proposed 9.9% increase in tax revenues.
- At the September 15th Council Meeting, the City Council must hold a public hearing on the FY15/16 Proposed Budget. After the hearing has ended, the Council must take separate votes on the budget, then the tax rate increase, and lastly the tax rate. The wording of the resolutions and motion to set the tax rate must include specific language to conform to the Truth-In-Taxation laws.