AGENDA

CITY OF TAYLOR, TEXAS
CITY COUNCIL SPECIAL MEETING
CITY HALL, COUNCIL CHAMBERS, 400 PORTER STREET

SEPTEMBER 3, 2015, 6:00 P.M.

CALL TO ORDER AND DECLARE A QUORUM

INVOCATION

PLEDGE OF ALLEGIANCE

CITIZENS COMMUNICATION
(The City Council welcomes public comments on items not listed on the agenda. However, the Council cannot respond until the item is posted on a future meeting agenda. Registration forms are available at the sign in table.)

PUBLIC HEARING

1. Conduct Second Public Hearing on tax rate for fiscal year 2015/2016. (Rosemarie Dennis)

ADJOURN

The Council may vote and/or act upon each of the items listed in this Agenda. The Council reserves the right to retire into executive session concerning any items listed on this Agenda whenever it is considered necessary and legally justified under the Open Meetings Act including: Section 551.071 (Consult with attorney); Section 551.072 (Real Property); Section 551.073 (Gifts and Donations); Section 551.074 (Personnel Matters); Section 551.076 (Security Devices); and Section 551.087 (Economic Development). I certify that the notice of meeting was posted in the Taylor City Hall Lobby before 6:00 pm on August 31, 2015 and remained posted for at least 72 hours continuously before the scheduled time of said meeting. I further certify that the following news media was notified of this meeting: Taylor Press.

In compliance with the ADA the City Hall and Council Chambers is wheelchair accessible. Reasonable accommodations will be provided for persons attending city council meetings in need of special assistance. Please contact Susan Brock, City Clerk, at least 24 hours prior to the meeting for special assistance.

Posted By: Susan Brock Date 8/31/15
Susan Brock, City Clerk

City Council Meeting
September 3, 2015
Agenda Item Transmittal

Agenda Item #: **1**

Agenda Title: Conduct second Public Hearing on the Tax Rate for fiscal year 2015/2016.

Council Action to be taken: Conduct Public Hearing.

Initiating Department: Finance Department

Staff Contact: **Rosemarie Dennis, Director**

1. INTRODUCTION/PURPOSE

At the August 27th City Council meeting it was announced that the City will hold a second public hearing on the tax rate. Staff has prepared the proposed budget to include the existing tax rate of $0.813893. This tax rate is higher than the effective tax rate and will produce more revenue in the budget therefore the City is required to hold two public hearings. Taxpayers must have the opportunity to express their views on the increase at these public hearings**.**

2. DESCRIPTION /JUSTIFICATION

After receiving the certified appraisal roll from the chief appraiser, the effective tax rate and rollback tax rate is calculated. The table below indicates the tax rates to include current year.

	FY2015-16		FY2014-15
Effective Tax Rate	0.774398		0.801665
Rollback Tax Rate	0.829520		0.837013
Property Tax Rate	0.813893	(Proposed)	0.813893
O & M Rate	0.593441		0.590685
Debt Rate	0.220542		0.223208

* This rate is calculated by Williamson County Appraisal District

- Effective Tax Rate:

The effective tax rate is the rate that would generate the same amount of revenue in the current tax year as was generated by the City's rate in the preceding tax year. If property values rise, the effective rate goes down and vice versa.

- Rollback Tax Rate:

The rollback tax rate is a calculated maximum rate allowed by law without voter approval. A taxing unit's rollback tax rate is a calculated rate that divides the overall property taxes into two categories- M & O (maintenance and operation) and debt service, also called interest and sinking.

The rollback tax rate provides the taxing unit with about the same amount of tax revenue if spent the previous year for day-to-day operations, plus an extra eight percent increase for those operations, and sufficient funds to pay debts in the coming year. If a taxing unit adopts a tax rate higher than the rollback tax rate, voters in the taxing unit can circulate a petition calling for an election to limit the size of the tax increase.

Publication of notice was published in the Taylor Daily Press on August 19th and posted to the City's website on these hearing to include the effective and rollback tax rates. A quorum of the governing body must be present at both hearings. The governing body may not adopt the tax rate at either of these hearings. At each hearing, the governing body must announce the date, time and place of the meeting at which it will vote on the tax rate.

The governing body must follow a strict timetable once it holds these public hearings. The meeting to vote on the tax rate must take place no less than three days and no more than 14 days after the second public hearing.

3. FINANCIAL/BUDGET

This budget will raise more revenue from property taxes than last year's budget by an amount of $384,434, which is a 5.9% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $44,025.

4. TIMELINE CONSIDERATIONS

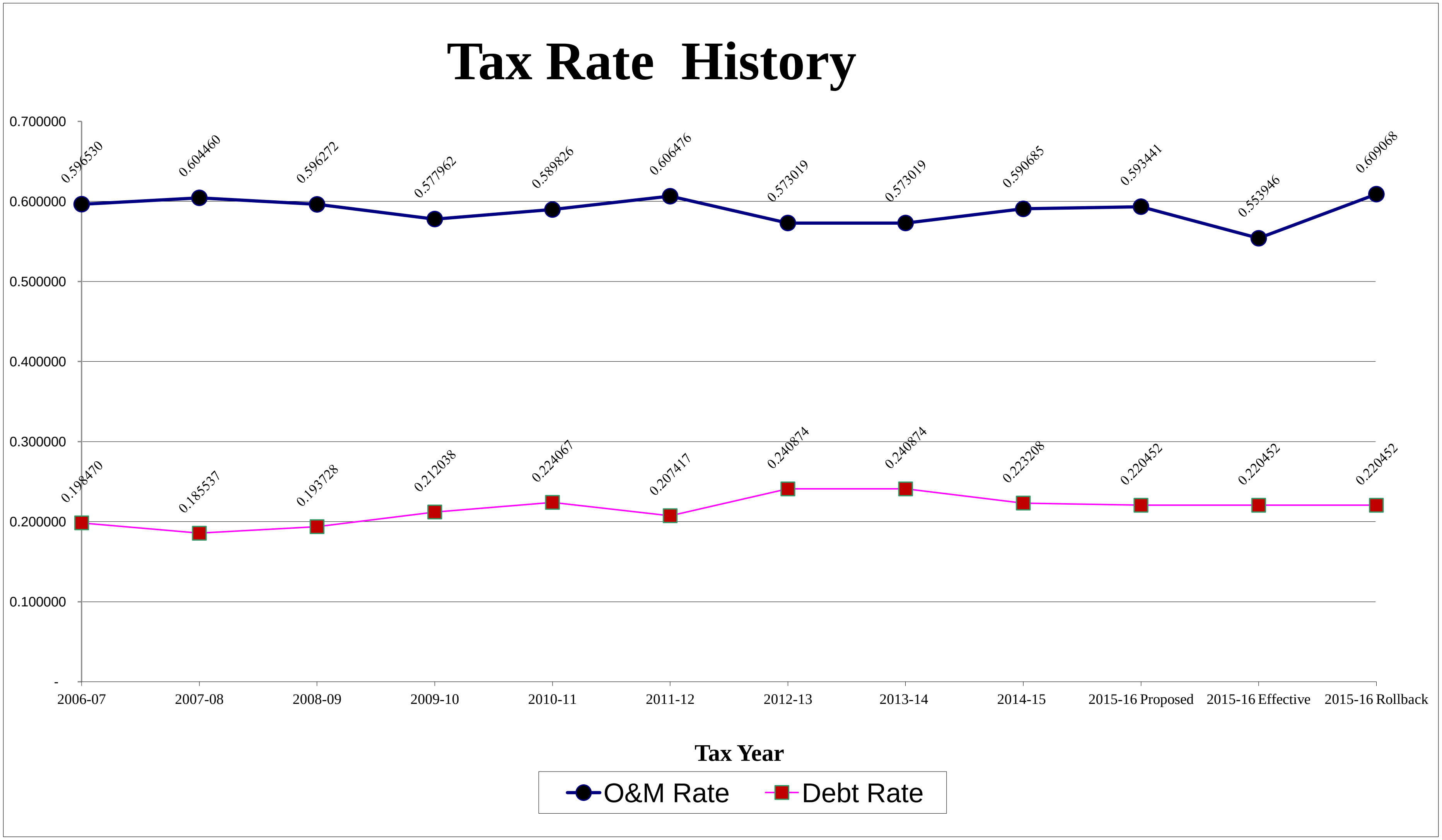
5. RECOMMENDATION

Staff recommends that the City Council conduct the second public hearing as prescribed by truth in taxation. When the motion is made, the following statement is required:

> "The adoption of the tax rate will be voted on September 10, 2015, at 6:00 pm and the meeting will be held at 400 Porter Street, Taylor, Texas, in the City Council Chambers."

6. REFERENCE FILES

1a. Tax Rate History Chart



Tax Rate History
0.700000
0.600000
0.500000
0.400000
0.300000
0.200000
0.100000
-
0.596530
0.604460
0.596272
0.577962
0.589826
0.606476
0.573019
0.573019
0.590685
0.593441
0.553946
0.609068
0.198470
0.185537
0.193728
0.212038
0.224067
0.207417
0.240874
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0.223208
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0.220452
2006-07
2007-08
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16 Proposed
2015-16 Effective
2015-16 Rollback
Tax Year
O&M Rate
Debt Rate

PUBLIC HEARING

on the

PROPOSED TAX RATE

Proposed Tax Rate

- **FY2015-16 Budget was calculated using the current tax rate of $0.813893/100**
- **Truth-in-taxation requires taxing units to hold two public hearings if the tax rate is above the effective tax rate.**

2015 Tax Rate Calculation

- **Effective Tax Rate: $0.774398/$100**
- **Rollback Tax Rate: $0.829520/$100**
- **Debt Tax Rate: $0.220452/$100**
- **Current Tax Rate: $0.813893/$100**

Calculate the Tax Rate

Effective Tax Rate	Rollback Tax Rate
• The effective tax rate is a calculated rate that would provide the taxing unit (City of Taylor) with about the same amount of revenue it received in the year before on properties taxed in both years.	• The rollback tax rate is a calculated maximum rate allowed by law without voter approval.

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The Revenue Generated from Property TAX

	Tax Rate	Total Tax Levy	Using 98% Collection Rate	M&O	I & S	Revenues produced over the effective tax rate
Effective	0.774398	$ 6,685,335	$ 6,551,628	$ 4,635,858	$ 1,915,770	
Proposed	0.813893	$ 7,026,293	$ 6,885,767	$ 4,969,997	$ 1,915,770	$ 334,139
Rollback	0.829520	$ 7,161,200	$ 7,017,976	$ 5,102,206	$ 1,915,770	$ 466,348

* **$863,294,401** in valuations was used to calculate generated revenues.

* **$4,969,997** is the amount included in the General Fund for maintenance and operation.
* **$1,915,770** is the amount included for debt service (interest and sinking).

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Tax Rate History