



# City of Saginaw

## City of Saginaw

**Meeting Date:** 08/18/2015

**Staff Contact:** Nan Stanford  
City Manager

**Agenda Item:** 11  
(CC-0815-13)

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**SUBJECT:** 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

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**BACKGROUND/DISCUSSION:**

The effective tax rate is .499468 and the rollback rate is .575159. The proposed 2015 tax rate is .544000. State Law requires certain Truth-in-Taxation procedures that must be followed if the City increases the tax rate above the effective tax rate or rollback rate, whichever is lower. The 2014 tax rate was .510000. If the Council chooses to adopt the proposed 2015 tax rate of .544000, the Truth-in-Taxation requirements are triggered. If the Council chooses to increase the tax rate above the effective tax rate of .499468, the specific requirements that must be followed are listed in the attached memo.

**FINANCIAL IMPACT:**

This item will have a financial impact but the purpose of tonight's action is to merely satisfy State Law and the Truth-in-Taxation procedures.

**RECOMMENDATION:**

Staff recommends the Council vote 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 15<sup>th</sup> agenda, and schedule two public hearings, September 1<sup>st</sup> and September 8<sup>th</sup> for the proposed tax rate increase.

Attachments

Memo from Kim Quin  
Tax Rate Notice



## City of Saginaw

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P.O. Box 79070  
Saginaw, Texas 76179  
817-232-4640  
Fax 817-232-4644  
[www.ci.saginaw.tx.us](http://www.ci.saginaw.tx.us)

### 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 21<sup>st</sup>.
- At the August 18<sup>th</sup> 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 15<sup>th</sup> agenda the adoption of the proposed tax rate and schedule two public hearings, September 1<sup>st</sup> and September 8<sup>th</sup>, on the proposal for increasing the tax rate.
- At the September 1<sup>st</sup> 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 8<sup>th</sup>, 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 4<sup>th</sup> 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 15<sup>th</sup> 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.

# 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..