



Meeting Minutes
City Council

Monday, August 8, 2016

12:00 PM

Council Overflow Room

I. CALL TO ORDER

Present: 3 - Councilmember Taylor Armstrong, Councilmember Randy Biddle and Councilmember Gage Prichard

Excused: 2 - Mayor Olin Lane and Mayor Pro Tem Dawn Moore

II. MAIN AGENDA

[16-136](#)

Consider and Act: Resolution Adopting a Maximum Proposed Tax Rate and Setting the date for Adoption of the Final Tax Rate for Fiscal Year 2017

Director of Finance Tom Tvardzik gave a presentation. He said that state law requires that all taxing units comply with “truth-in-taxation”, requiring the calculation and publication of the Effective Tax Rate, the “Rollback” Tax Rate and the current year Proposed Tax Rate. The Effective Tax Rate is the rate needed to provide the City with the same amount of revenue it received the prior year, based on properties taxed in both years. The Rollback Rate is the Effective Rate plus 8%. It is called the “Rollback” rate because if a taxing unit exceeds it, voters in the jurisdiction can petition for an election to “roll back” the higher rate.

The city’s tax collector, the Dallas County Tax Office, calculates the Effective Rate and the Rollback Rate for the City. The applicable tax rates for the 2016 tax year (FY2017) are as follows:

- 2016 ETR = 24.0447 cents per \$100 of taxable value
- 2016 RTR = 25.9682 cents per \$100 of taxable value

In order to maintain fiscal flexibility throughout the budget process, Council has traditionally adopted the prior year tax rate as a proposed maximum tax rate in the current year. This rate is as follows:

- 2015 Property Tax Rate = 25.893 cents per \$100 of taxable value.
- 2016 Proposed Property Tax Rate = 25.893 cents per \$100.

As the Proposed Tax Rate for 2016 will exceed the 2016 ETR, Council must adopt the rate by roll call vote and provide the public with notice and opportunity to be heard. This can be accomplished by holding two public hearings regarding the proposed rate.

Tom made the following recommendations:

1. Approve the resolution adopting the maximum proposed property tax rate the Council will consider for FY2017 of 25.893 cents per \$100 of taxable value and setting the date that the Council will adopt the final FY2017 property tax rate; and,
2. Schedule two tax rate public hearing as follows:
 - a. Tax Rate Public Hearing 1 - during the regularly scheduled City Council meeting of August 16, 2016, and
 - b. Tax Rate Public Hearing 2 - during the regularly scheduled City Council meeting of September 6, 2016.

A motion was made by Councilmember Randy Biddle, seconded by Councilmember Gage Prichard, to approve this resolution and schedule tax rate hearings on August 16 and September 6. The motion carried by the following vote:

Aye: 3 - Councilmember Armstrong, Councilmember Biddle, and Councilmember Prichard

Excused: 2 - Mayor Lane, and Mayor Pro Tem Moore

Enactment No: RES No. 16-009

III. PUBLIC COMMENTS

None

IV. ADJOURNMENT