



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager      **DATE:** August 22, 2016

**SUBJECT:** Setting August 22, 2016 and September 12, 2016 as the dates for the Tax Rate Public Hearings and Vote on Placing the Tax Rate Adoption on the Agenda of the September 26, 2016 City Council Meeting.

**PRESENTER:** Mark Mills, Director of Budget and Research

### **SUMMARY:**

Council is requested to set the dates for the public hearings on the proposed tax rate of 61 cents per \$100 of taxable valuation as August 22, 2016 and September 12, 2016. The City Council is also requested to vote to place the adoption of the tax rate as an action item on the September 26, 2016 Council agenda.

### **GENERAL DESCRIPTION:**

In follow up to the FY 2016/2017 Budget Work Session, it is necessary to begin the process of establishing a tax rate for the next fiscal year, in accordance with the City Charter and State law. At the Budget Work Session, a tax rate of 61¢ per \$100 of taxable valuation was proposed. This is the same as the currently adopted tax rate of 61¢.

Per Section 26.05(d) of the Tax Code, the City Council cannot adopt a tax rate that exceeds the lower of the rollback tax rate or the effective tax rate until two public hearings have been held on that tax rate. The proposed tax rate exceeds the effective tax rate of 58.3909¢ but remains below the rollback rate of 61.0009¢. As a result, the city of North Richland Hills will be required to conduct two public hearings on the tax rate. The proposed dates for these public hearings are Monday, August 22, 2016 and Monday, September 12, 2016, each to be held at the City of North Richland Hills City Hall.

State law requires that the City Council vote to place the adoption of the tax rate on a future City Council agenda as an action item. The date for this vote is planned for Monday, September 26, 2016. This vote would appear as an action item on the agenda for the regular City Council meeting.

### **RECOMMENDATION:**

Vote to set Monday, August 22, 2016 and Monday, September 12, 2016 as the dates for public hearings on the proposed 61 cents per \$100 of taxable valuation and to place



the adoption of the tax rate as an action item on the Monday, September 26, 2016 City Council agenda.