

TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE TOWN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, AND FOR EACH FISCAL YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, AT A RATE OF \$0.560472 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE TOWN OF ADDISON; DIRECTING THE ASSESSMENT THEREOF TO PROVIDE REVENUES FOR THE PAYMENT OF CURRENT OPERATION AND MAINTENANCE EXPENSES AND INDEBTEDNESS OF THE TOWN; APPROVING THE TAX RATE AND LEVY AND NOTIFYING THE PUBLIC THAT THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING FOR PAYMENT TO THE ASSESSOR/COLLECTOR FOR THE TOWN; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING PUBLICATION AND EFFECTIVE DATE.

WHEREAS, pursuant to Texas Property Tax Code Sections 26.04 through 26.06, the Tax Assessor-Collector for the Town of Addison, Texas (the "City") has calculated the effective tax rate for the fiscal year 2016-2017 which cannot be exceeded without requisite publications and public hearings; and

WHEREAS, the tax rate for the fiscal year 2016-2017 as initially contemplated (proposed) by the City Council did, and as adopted herein does, exceed the said rate calculated by the Tax Assessor-Collector; and

WHEREAS, the Town of Addison complied with the State of Texas Truth-in-Taxation laws and advertised the proposed tax rate and conducted two public hearings on the tax rate, and all notices and hearings and other applicable steps required by law as a prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held; and

WHEREAS, Section 26.05(a), Texas Property Tax Code, provides that the tax rate consists of two components (one of which will impose the amount of taxes needed to pay debt service, and the other of which will impose the amount of taxes needed to fund maintenance and operation expenses for the next year), and each of such components must be approved separately, the tax rate set forth herein consists of those two components and they are approved separately; and

WHEREAS, upon full review and consideration of the matter, the City Council is of the opinion that the tax rate for the year 2016 set, fixed and adopted herein below is proper.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. The above and foregoing recitals are true and correct and are incorporated into this Ordinance and made a part hereof for all purposes.

Section 2. That there is hereby levied and ordered to be assessed and collected an ad valorem tax rate of \$0.560472 on each One Hundred Dollars (\$100.00) of assessed valuation for all taxable property located in the Town of Addison on the 1st day of January 2016, and not exempted from taxation by the Constitution and laws of the State of Texas to provide for the expenses of the Town of Addison for the Fiscal Year beginning October 1, 2016 and ending September 30, 2017, and for each fiscal year thereafter until otherwise provided, on all taxable property, real, personal and mixed, situated within the corporate limits of the Town and not exempted by the Constitution of the State, valid State laws or this ordinance, a tax of property. The \$0.560472 ad valorem tax rate is made up of the following:

- (A) \$0.381215 of said taxes shall be for the maintenance and operations of the Town of Addison, of which \$0.351298 of said taxes shall be for the purposes of the General Fund, \$0.023716 shall be for the purposes of economic development, and \$0.006201 shall be for the purposes of the Infrastructure Investment Fund.
- (B) \$0.179257 of said taxes shall be for the purpose of paying interest and principal on the General Obligation and Certificates of Obligation debt for the Town of Addison.

THIS TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.42 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$4.50.

Section 3. That the Tax Assessor-Collector or his/her designee is hereby authorized to assess and collect the tax rates and amounts herein levied.

Section 4. That the taxes levied by this Ordinance shall be due and payable on October 1, 2016, and shall become delinquent on February 1, 2017. Penalty and interest will attach and accrue on delinquent taxes as provided by Section 33.01 of the Texas Property Tax Code, as amended, to wit: a penalty of six percent (6%) of the amount of the tax for the first calendar month the tax is delinquent plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax delinquent on July 1 incurs a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to

the number of months the tax has been delinquent. A delinquent tax continues to incur the penalty provided by law as long as the tax remains unpaid, regardless of whether a judgment for the delinquent tax has been rendered.

Section 5. Taxes that are and remain delinquent on July 1, 2017 incur an additional penalty not to exceed twenty percent (20%) of the amount of delinquent taxes, penalty and interest collected; such additional penalty is to defray the costs of collection due pursuant to the contract with the Town’s attorney authorized by Section 6.30 of the Texas Property Tax Code, as amended.

Section 6. That this Ordinance shall take effect and be in force from and after its adoption and publication as may be required by applicable law, including the Town Charter.

On the following motion by _____: “I move that the property tax rate be increased by the adoption of a tax rate of \$0.560472 per \$100 valuation, which is effectively a 7.42 percent increase in the tax rate”; seconded by _____, the above and foregoing ordinance was passed and approved by roll call vote as follows:

- Mayor Todd Meier _____
- Mayor Pro Tempore Bruce Arfsten _____
- Deputy Mayor Pro Tempore Ivan Hughes _____
- Councilmember Al Angell _____
- Councilmember Jim Duffy _____
- Councilmember Paul Walden _____
- Councilmember Dale Wilcox _____

_____ voted in favor of the motion
_____ voted against the motion

Motion carried _____

PASSED AND APPROVED by the City Council of the Town of Addison, Texas on this 13th day of September, 2016.

Todd Meier, Mayor

ATTEST:

Laura Bell, City Secretary

APPROVED AS TO FORM:

Brenda N. McDonald, City Attorney