

# Tax Rate Record Vote



## Purpose of Vote

- Record Vote on Proposed Tax Rate and Schedule Public Hearings
  - Vote will be required with specific wording of motion
  - Sets ceiling for FY18 Tax Rate
- Required when proposed tax rate will exceed effective tax rate
- Proposed tax rate ceiling is at \$0.562600
- City Manager's recommended tax rate will be significantly lower



## Effective and Rollback Tax Rates

- The effective tax rate is a calculated rate that would provide a taxing unit with about the same amount of revenue it received in the year before on properties taxed in both years
- If property values rise, the effective tax rate will go down and vice versa
- The rollback tax rate is 8% above the effective tax rate
  - Citizens may petition for a rollback election if this rate is exceeded

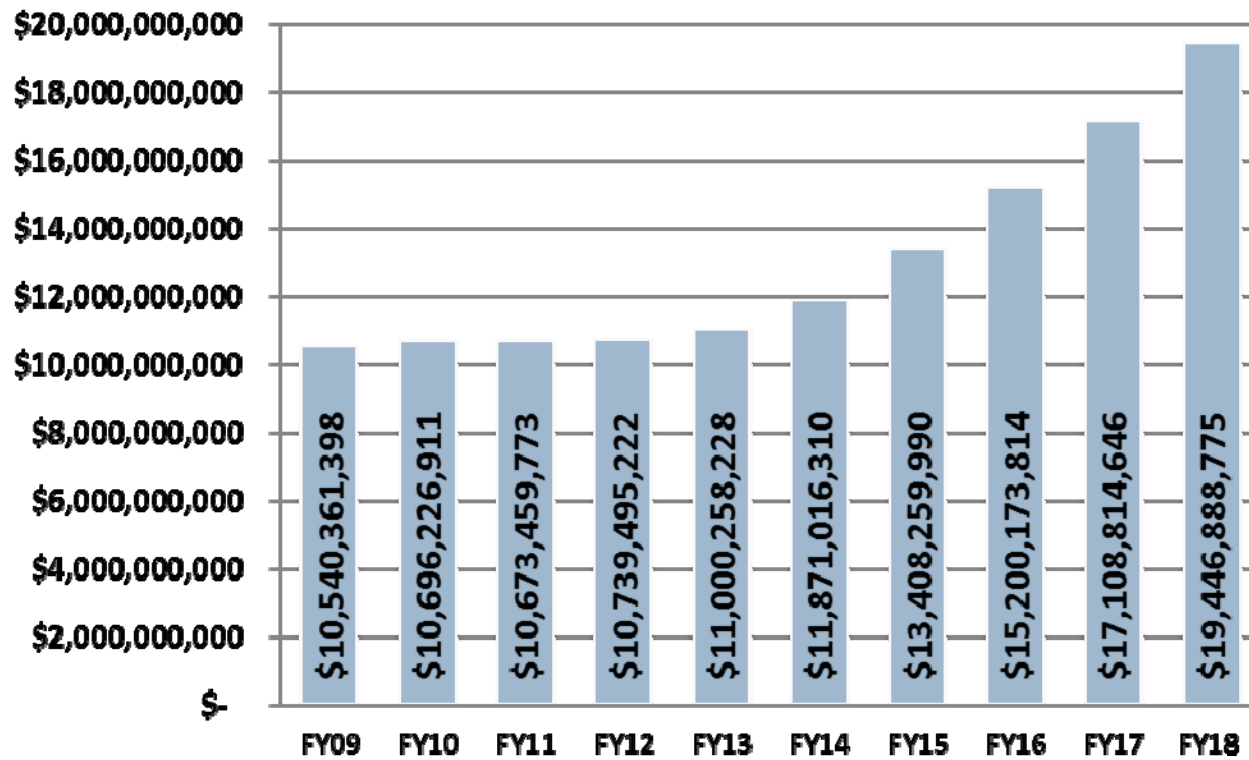


## Tax Rates

	<u>FY 2016-17</u>	<u>FY2017-18</u>
Tax Rate Ceiling	\$0.573000	\$0.540199
Effective Tax Rate	\$0.534543	\$0.526703
Effective M&O Rate	\$0.375907	\$0.368535
Rollback Rate	\$0.577210	\$0.562605
Debt Rate	\$0.171231	\$0.164588
Actual M&O Rate	\$0.401769	\$0.375611
<u>Proposed Rate in Budget</u>		<u>\$0.540199</u>



## Taxable Value History

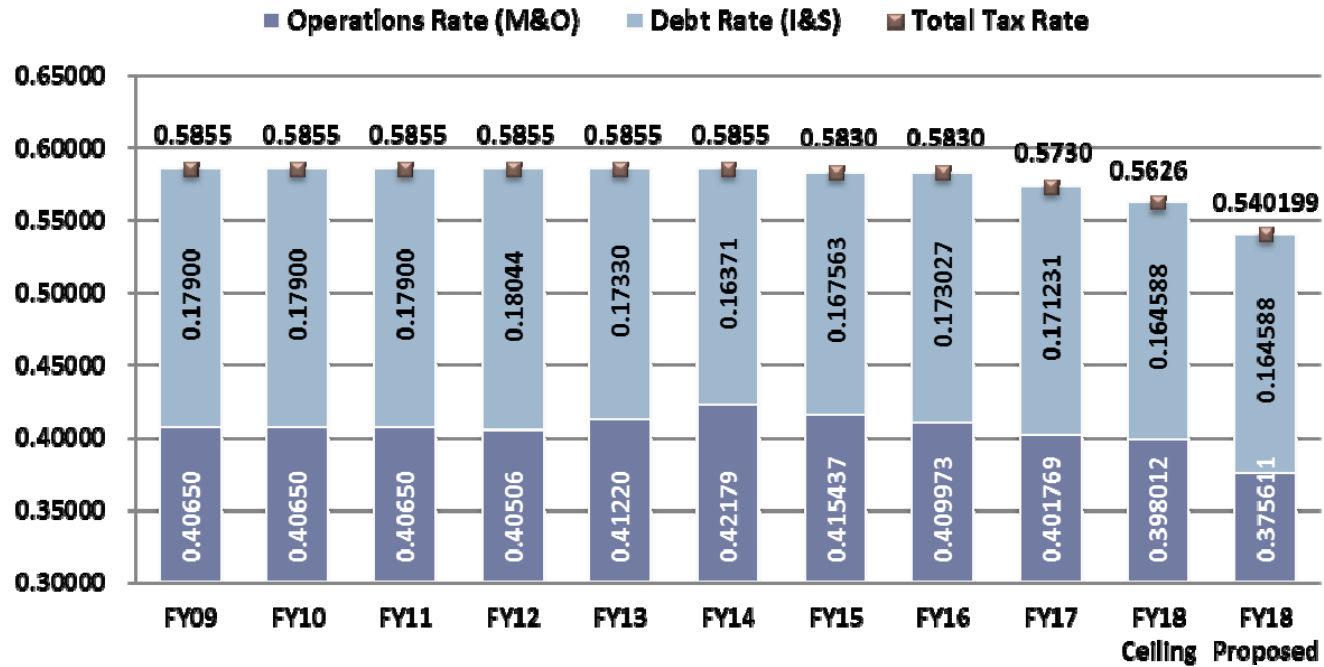


## Tax Rate

- Tax Rate has 2 parts
  - I&S or Debt Service Rate
    - Set to match amount required to meet debt service payments in a given year
  - M&O Tax Rate (Maintenance and Operations)
    - Funds general operational expenses (salaries and supplies)
    - Subject to effective and rollback calculations



## Property Tax Rate History



## Important Dates Ahead

- **August 4<sup>th</sup> – Budget Work Session**
- **August 15<sup>th</sup> – 1<sup>st</sup> Public Hearing on Tax Rate**
- **September 5<sup>th</sup>**
  - 1<sup>st</sup> Public Hearing on Budget
  - 2<sup>nd</sup> Public Hearing on Tax Rate
- **September 19<sup>th</sup>**
  - 2<sup>nd</sup> Public Hearing on Budget & Final Budget Adoption
  - Ratification of Property Tax Revenue Increase
  - Tax Rate Adoption
  - Fee/Rate Change Adoption

