

First Public Hearing – Tax  
Rate  
City of McKinney  
Financial Services



- MONEY MAGAZINE 2014 -

# FY15 Taxes

- Tax rate proposed to remain \$0.5830 for FY16
- Tax rate is consistent with Council Guidelines and 10 Year Plan
- Existing values have increased 9% over FY15
- New values account for 4.4% of taxable roll

# General Fund 10 Year Plan

	Budget 2014-15	Projected 2015-16	Projected 2016-17	Projected 2017-18	Projected 2018-19	Projected 2019-20	Projected 2020-21	Projected 2021-22	Projected 2022-23	Projected 2023-24
Available Beginning Fund Balance	\$ 39,412,402	\$ 39,412,403	\$ 40,308,036	\$ 40,628,342	\$ 41,806,842	\$ 43,292,010	\$ 44,668,693	\$ 46,441,248	\$ 48,671,571	\$ 49,171,396
<b>REVENUES</b>										
Property Taxes	\$ 56,079,359	\$ 59,635,915	\$ 62,617,711	\$ 65,122,419	\$ 67,076,092	\$ 69,088,375	\$ 71,161,026	\$ 73,295,857	\$ 75,494,732	\$ 77,759,574
Sales & Use Taxes	19,800,000	20,592,000	21,415,680	22,272,307	23,163,199	24,089,727	25,053,317	26,055,449	27,097,667	28,181,574
Franchise Fees	13,686,149	14,096,733	14,519,635	14,955,225	15,403,881	15,865,998	16,341,978	16,832,237	17,337,204	17,857,320
Licenses & Permits	7,584,500	7,963,725	8,202,637	8,366,689	8,534,023	8,704,704	8,878,798	9,056,374	9,237,501	9,422,251
Charges & Fines	6,568,800	9,700,176	9,894,180	10,092,063	10,293,904	10,499,782	10,709,778	10,923,974	11,142,453	11,365,302
Other	1,259,795	1,284,991	1,310,691	1,336,905	1,363,643	1,390,915	1,418,734	1,447,108	1,476,051	1,505,572
Transfer	3,248,219	3,313,183	3,379,447	3,447,036	3,515,977	3,586,296	3,658,022	3,731,183	3,805,806	3,881,922
<b>Total Revenues</b>	<b>\$ 108,226,822</b>	<b>\$ 116,586,724</b>	<b>\$ 121,339,980</b>	<b>\$ 125,592,644</b>	<b>\$ 129,350,719</b>	<b>\$ 133,225,798</b>	<b>\$ 137,221,652</b>	<b>\$ 141,342,181</b>	<b>\$ 145,591,415</b>	<b>\$ 149,973,516</b>
<b>EXPENDITURES</b>										
Personnel	\$ 74,551,866	\$ 79,696,216	\$ 84,258,702	\$ 86,882,953	\$ 89,575,236	\$ 92,599,993	\$ 95,377,993	\$ 98,239,332	\$ 103,358,112	\$ 106,588,856
Supplies	4,683,736	4,777,411	4,872,959	4,970,418	5,069,826	5,171,223	5,274,647	5,380,140	5,487,743	5,597,498
Maintenance	5,231,375	6,982,423	7,168,271	7,346,636	7,502,069	7,845,110	8,039,013	8,199,793	8,407,289	8,665,435
Service/Sundry	17,096,881	17,438,819	17,787,595	18,143,347	18,506,214	18,876,338	19,253,865	19,638,942	20,031,721	20,432,355
Capital Outlay	514,313	524,599	535,091	545,793	556,709	567,843	579,200	590,784	602,600	614,652
Transfers	6,148,651	6,271,624	6,397,056	6,524,997	6,655,497	6,788,607	6,924,379	7,062,867	7,204,124	7,348,207
<b>Total Expenditures</b>	<b>\$ 108,226,822</b>	<b>\$ 115,691,090</b>	<b>\$ 121,019,674</b>	<b>\$ 124,414,145</b>	<b>\$ 127,865,551</b>	<b>\$ 131,849,115</b>	<b>\$ 135,449,097</b>	<b>\$ 139,111,859</b>	<b>\$ 145,091,589</b>	<b>\$ 149,247,002</b>
<b>Ending Fund Balance</b>	<b>\$ 39,412,403</b>	<b>\$ 40,308,036</b>	<b>\$ 40,628,342</b>	<b>\$ 41,806,842</b>	<b>\$ 43,292,010</b>	<b>\$ 44,668,693</b>	<b>\$ 46,441,248</b>	<b>\$ 48,671,571</b>	<b>\$ 49,171,396</b>	<b>\$ 49,897,910</b>
<i>Fund Balance Increase / Decrease</i>	0	895,633	320,306	1,178,499	1,485,168	1,376,683	1,772,555	2,230,323	499,826	726,514
<i>Fund Balance % of Change</i>	0%	2%	1%	3%	4%	3%	4%	5%	1%	1%
<i>Fund Balance % of Expenditures</i>	36%	35%	34%	34%	34%	34%	34%	35%	34%	33%
<b>Minimum Fund Requirement (25% Exp)</b>	<b>26,928,127</b>	<b>28,791,623</b>	<b>30,121,146</b>	<b>30,967,088</b>	<b>31,827,211</b>	<b>32,820,318</b>	<b>33,717,474</b>	<b>34,630,269</b>	<b>36,122,247</b>	<b>37,158,088</b>
<b>Available Ending Fund Balance</b>	<b>\$ 12,484,276</b>	<b>\$ 11,516,413</b>	<b>\$ 10,507,196</b>	<b>\$ 10,839,754</b>	<b>\$ 11,464,799</b>	<b>\$ 11,848,375</b>	<b>\$ 12,723,774</b>	<b>\$ 14,041,302</b>	<b>\$ 13,049,149</b>	<b>\$ 12,739,822</b>

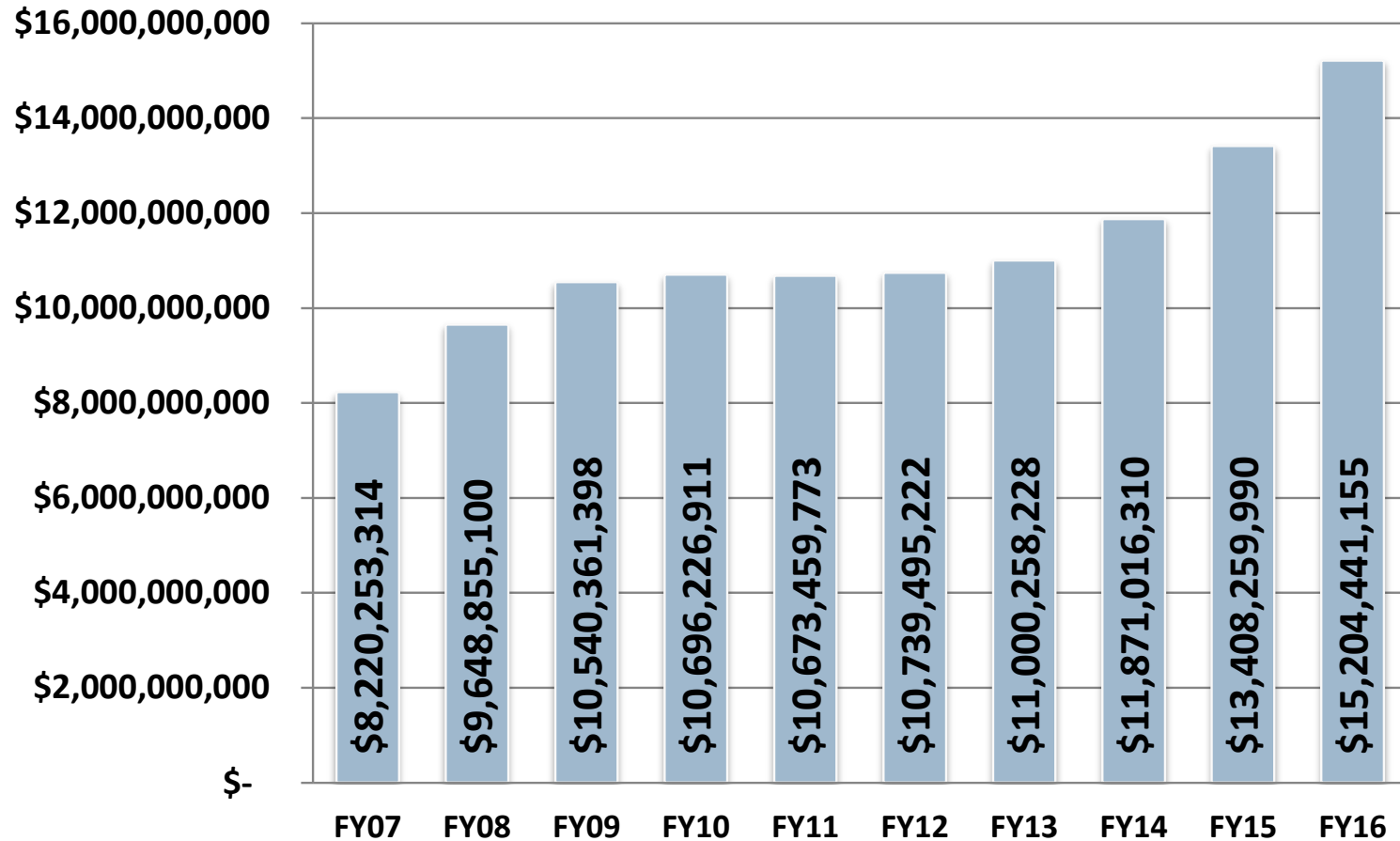
<b>TAX RATE VARIABLE</b>										
General fund	\$ 0.41544	\$ 0.41500	\$ 0.41500	\$ 0.41500	\$ 0.41500	\$ 0.41500	\$ 0.41500	\$ 0.41500	\$ 0.41500	\$ 0.41500
Debt service fund	0.16756	0.16800	0.16800	0.16800	0.16800	0.16800	0.16800	0.16800	0.16800	0.16800
<b>Total Tax Rate</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>	<b>\$ 0.58300</b>

<b>STAFFING VARIABLE</b>										
Full time equivalent positions	798.6	832.7	859.7	865.7	867.7	877.7	877.7	877.7	904.7	906.7
Average salary per FTE	\$ 66,681	\$ 68,362	\$ 70,005	\$ 71,686	\$ 73,737	\$ 75,358	\$ 77,619	\$ 79,947	\$ 81,603	\$ 83,968
Average cost per FTE	\$ 93,353	\$ 95,706	\$ 98,008	\$ 100,360	\$ 103,231	\$ 105,501	\$ 108,666	\$ 111,926	\$ 114,244	\$ 117,555

# FY16 Calculated Tax Rates

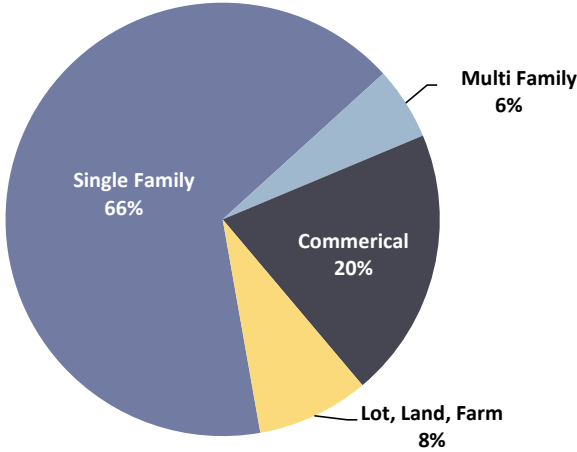
	<u>2014-15</u>	<u>2015-16</u>
<b>Property Tax Rate</b>	<b>\$0.583000</b>	<b>\$0.583000</b>
<b>Debt Rate</b>	<b>\$0.167563</b>	<b>\$0.173027</b>
<b>M&amp;O Rate</b>	<b>\$0.415437</b>	<b>\$0.409973</b>
<b>Effective Tax Rate</b>	<b>\$0.538235</b>	<b>\$0.537088</b>
<b>Rollback Rate</b>	<b>\$0.586301</b>	<b>\$0.586322</b>

# Taxable Value History

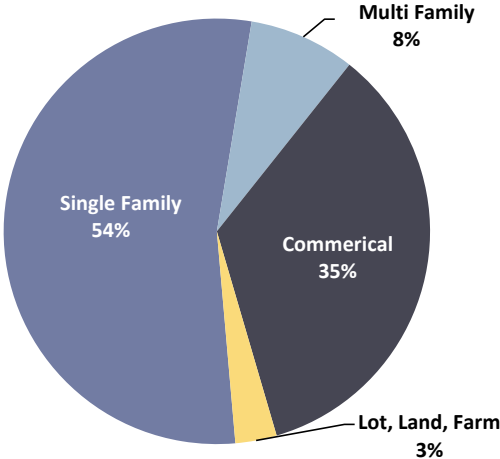


# 2015 Makeup of Appraised Values

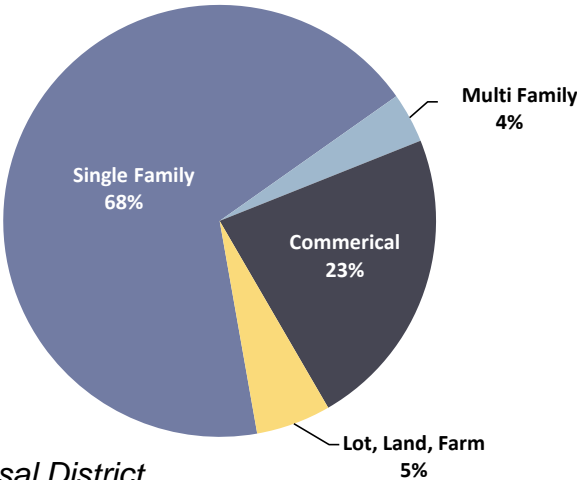
**McKinney**



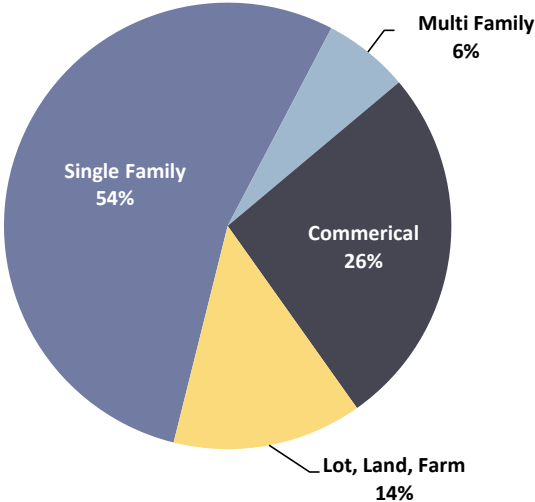
**Plano**



**Allen**

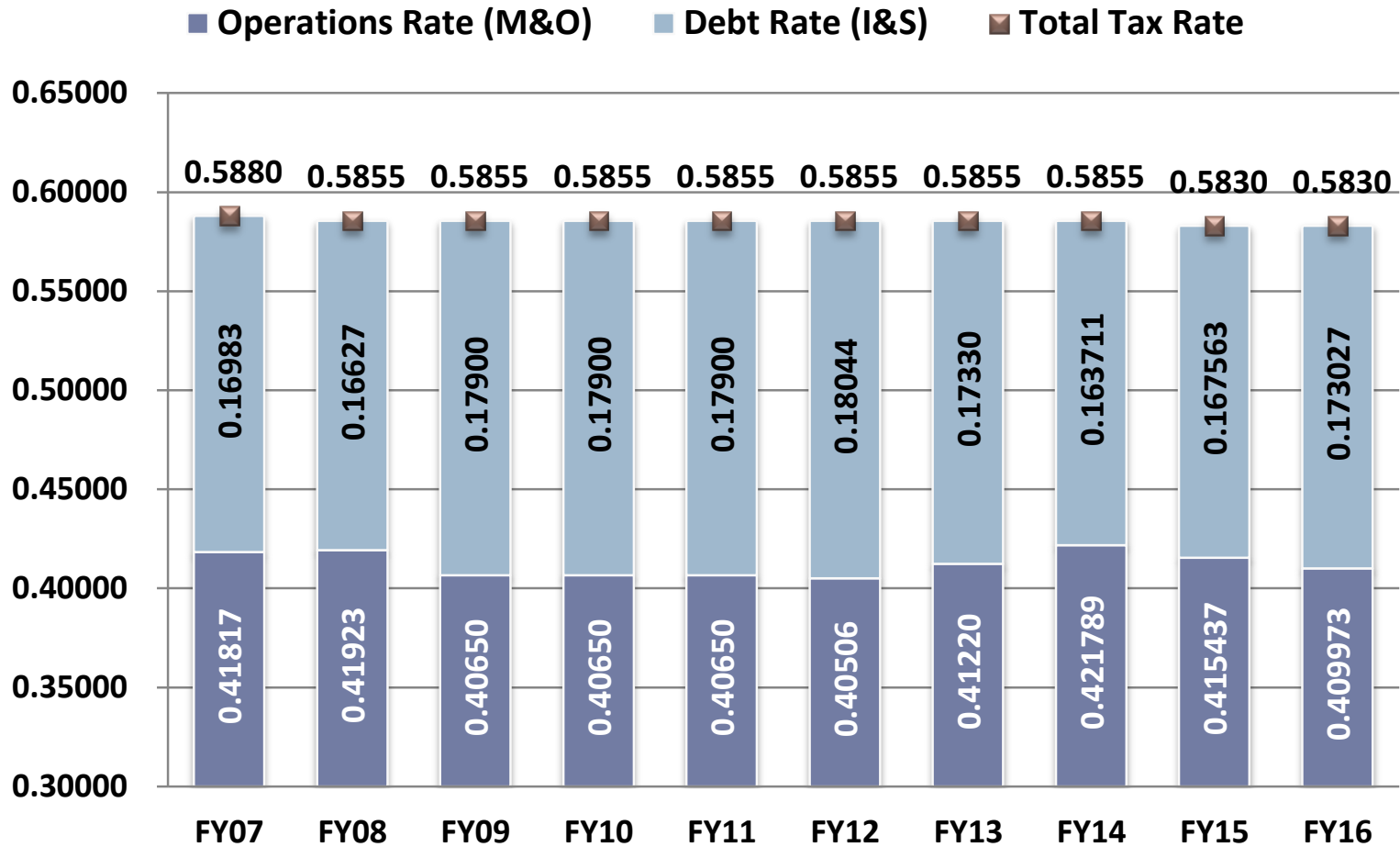


**Frisco**



Source: Collin Central Appraisal District

# Property Tax Rate History



# Upcoming Events

September 1<sup>st</sup> –  
First Public  
Hearing on Budget  
& Second PH on  
Tax Rate

- Hear Citizen input on budget and tax rate
- Council will take no action

September 15<sup>th</sup> –  
Adopt Budget and  
Tax Rate

- Council will adopt budget
- Council takes 2 votes on tax rate
- Council adopts fee schedule