

Tax Rate Record Vote
City of McKinney
Budget Department



- MONEY MAGAZINE 2014 -

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 FY17 Tax Rate
- Required when proposed tax rate will exceed effective or rollback tax rate
- Proposed tax rate is recommended at \$0.5770



Effective and Rollback Tax Rates

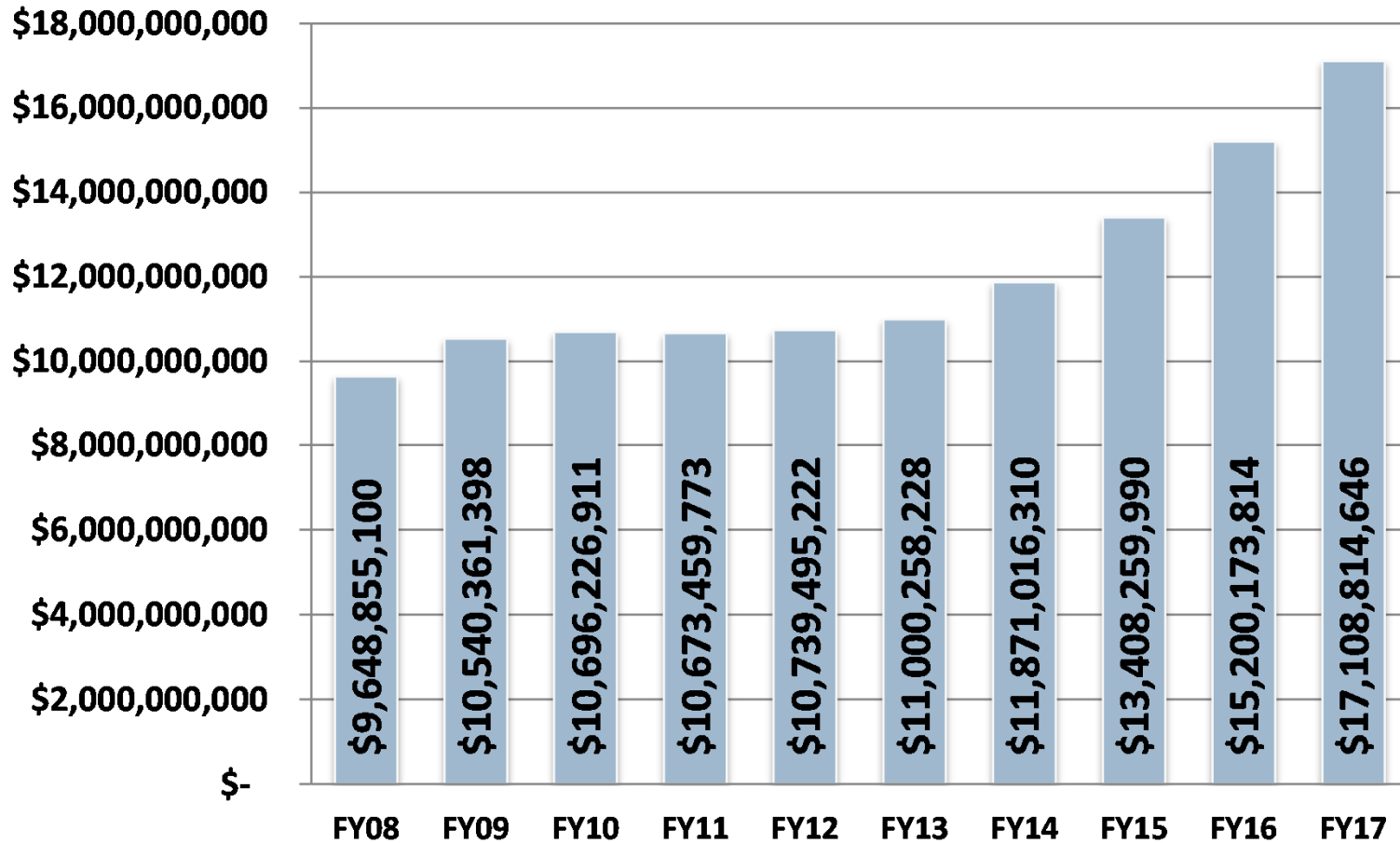
- The effective tax rate is a calculated rate that would provide a taxing unit with about the same amount of revenue it received in the year before on properties taxed in both years
- If property values rise, the effective tax rate will go down and vice versa
- The rollback tax rate is 8% above the effective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

FY17 Calculated Tax Rates

	<u>2015-16</u>	<u>2016-17</u>
Property Tax Rate	\$0.583000	\$0.577000
Effective Tax Rate	\$0.537088	\$0.534543
Effective M&O Rate	\$0.382681	\$0.375907
Rollback Rate	\$0.586322	\$0.577210
Debt Rate	\$0.173027	\$0.171231
Actual M&O Rate	\$0.409973	\$0.405769



Taxable Value History

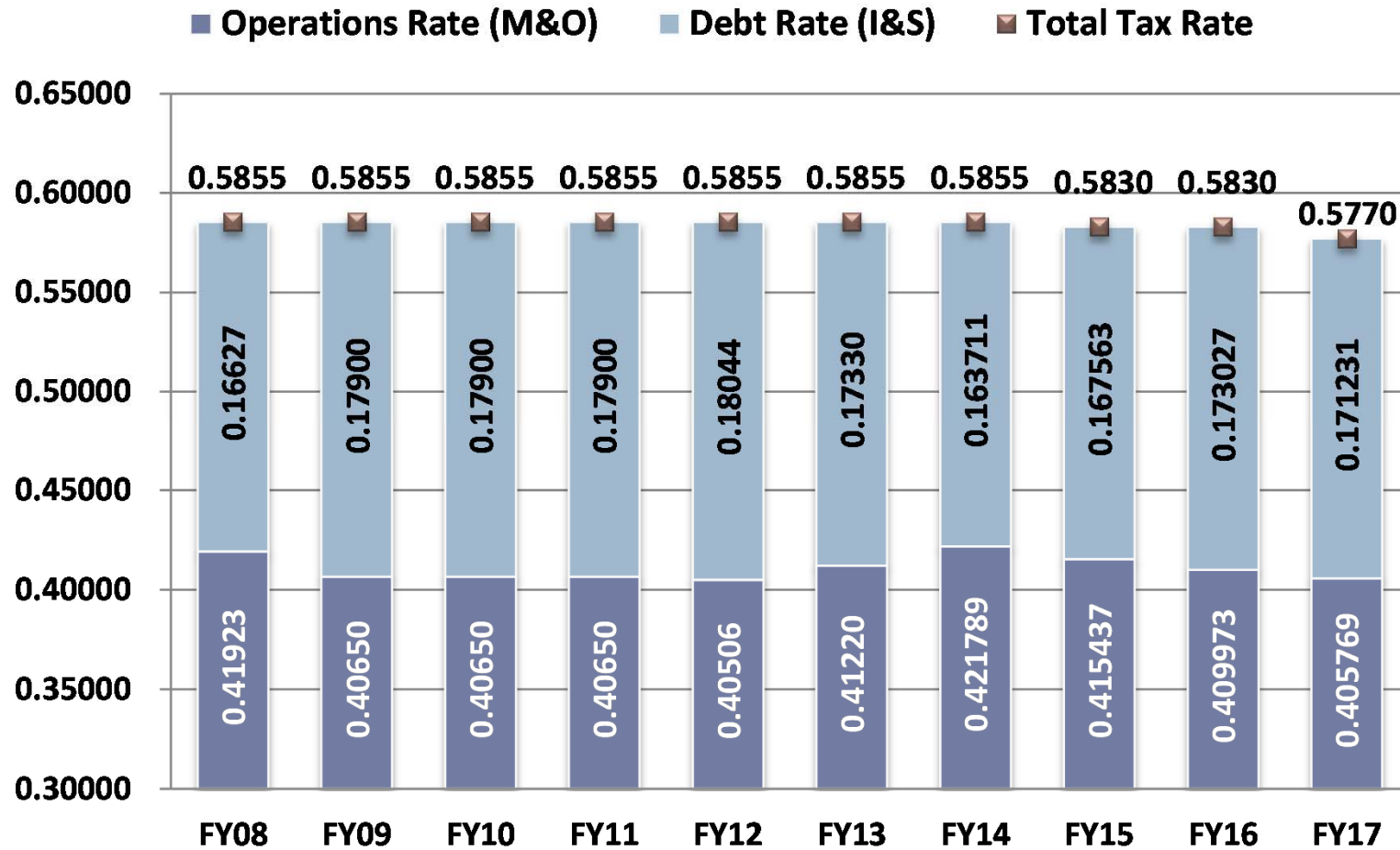


Tax Rate

- 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



Upcoming Events

August 22nd – First
Public Hearing on
Tax Rate

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

September 6th –
First Public
Hearing on Budget
& Second PH on
Tax Rate

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

Upcoming Events

September 20th –
Adopt Budget and
Tax Rate

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