



# CITY OF MCKINNEY, TEXAS

## Legislation Details (With Text)

**File #:** 19-0711      **Name:** FY20 Tax Rate - 1st Public Hearing  
**Type:** Agenda Item      **Status:** Public Hearing  
**In control:** City Council Regular Meeting  
**On agenda:** 8/20/2019      **Final action:**  
**Title:** Conduct First Public Hearing on Proposed Tax Rate for Fiscal Year 2019-20 (Tax Year 2019)  
**Indexes:**  
**Attachments:** 1. Draft Ordinance, 2. Presentation

Date	Ver.	Action By	Action	Result
8/20/2019	1	City Council Regular Meeting	Close the public hearing	Pass

Conduct First Public Hearing on Proposed Tax Rate for Fiscal Year 2019-20 (Tax Year 2019)

**COUNCIL GOAL:** Financially Sound Government  
(4A: Provide Funding and Organizational Framework to Ensure Continual Economic Improvements)

**MEETING DATE:** August 20, 2019

**DEPARTMENT:** Financial Services

**CONTACT:** Mark Holloway, Chief Financial Officer

**RECOMMENDED CITY COUNCIL ACTION:**

- Conduct the first public hearing on the FY2019-20 proposed tax rate.
- Announce:
  - Second Public Hearing: September 3, 2019, 6:00 p.m. at the Council Chambers.
  - Tax Rate Adoption: September 17, 2019, 6:00 p.m. at the Council Chambers.

**ITEM SUMMARY:**

- The proposed tax rate is \$0.515600 based on 100% market ratio on each \$100 of all taxable property within the City. The proposed tax rate is 0.009570 cents lower than last year.
- The rate for Maintenance and Operations (M&O) is \$0.355393 per \$100 valuation.
- The rate for Interest and Sinking Funds (I&S) is \$0.160207 per \$100 valuation.
- The tax rate ratio is 69% for M&O and 31% for I&S.
- The proposed tax rate exceeds the effective tax rate of \$0.508664.
- The proposed tax rate will raise more taxes for M&O than last year's tax rate.
- The amount of taxes imposed this year on the average home value of \$349,567 would be \$1,802.

**BACKGROUND INFORMATION:**

- State law requires an entity to hold two public hearings before adopting a tax rate.
- On August 5, 2019, the City Council took a roll call vote on the tax rate.
- The two public hearings are on August 20, 2019 and September 3, 2019.
- The tax rate adoption date is September 17, 2019, which must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the Ordinance.

**FINANCIAL SUMMARY:**

- Estimated maintenance and operations tax revenues of \$83,207,732 (100% collection rate) for FY 2019-20 are based on this tax rate.