



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 15-781, **Version:** 1

Conduct First Public Hearing on Proposed Tax Rate for Fiscal Year 2015-16

COUNCIL GOAL: Financially Sound Government

MEETING DATE: August 18, 2015

DEPARTMENT: Financial Services

CONTACT: Rodney Rhoades, Chief Financial Officer

RECOMMENDED CITY COUNCIL ACTION:

- Conduct the first public hearing on the FY2015-16 proposed tax rate.
- Announce:
 - Second Public Hearing: September 1, 2015, 6:00 p.m. at the Council Chambers
 - Tax Rate Adoption Date: September 15, 2015, 6:00 p.m. at the Council Chambers

ITEM SUMMARY:

- The proposed tax rate is \$0.58300 based on 100% market ratio on each \$100 of all taxable property within the City. The proposed tax rate is the same as the current year.
- The rate for Maintenance and Operations (M&O) is \$0.409973 per \$100 valuation.
- The rate for Interest and Sinking Funds (I&S) is \$0.173027 per \$100 valuation.
- The tax rate ratio is 70% for M&O and 30% for I&S.
- The proposed tax rate exceeds the effective tax rate of \$0.537088.
- 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 \$270,483 would be \$1,577.

BACKGROUND INFORMATION:

- State law requires an entity to hold two public hearings before adopting a tax rate.
- On August 3, 2015, the City Council took a roll call vote on the tax rate.
- The two public hearings are on August 18, 2015 and September 1, 2015.
- The tax rate adoption date is September 15, 2015, which must be a record vote.

FINANCIAL SUMMARY:

- Estimated tax revenues of \$62,316,609 (100% collection rate) for FY 2015-16 are based on this tax rate.