

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 FY20 Tax Rate
- Required when proposed tax rate will exceed effective tax rate
- Proposed tax rate ceiling is at \$0.525170
- City Manager's recommended tax rate will be significantly lower. The tax rate recommended in the budget will be \$0.51560.

Effective and Rollback Tax Rates

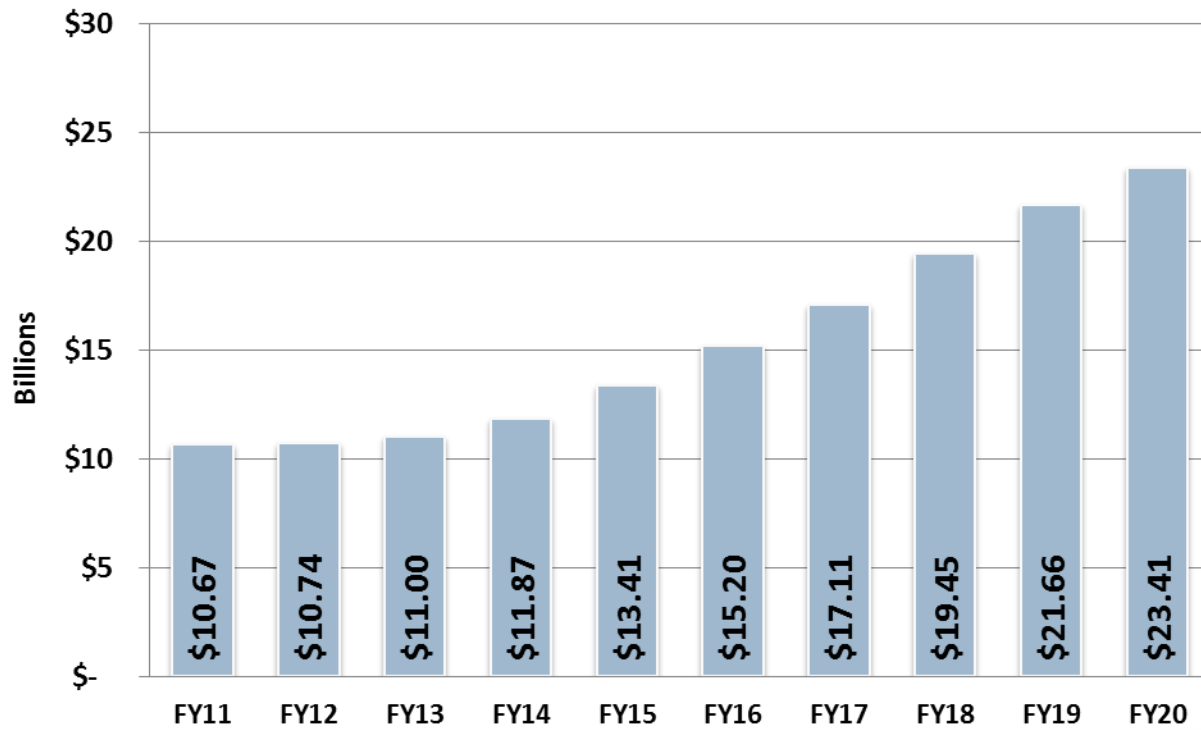
- The effective tax rate is a calculated rate that would provide a taxing unit with about the same amount of revenue it received in the year before on properties taxed in both years
- If property values rise, the effective tax rate will go down and vice versa
- The rollback tax rate is 8% above the effective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



Tax Rates

	<u>FY2018-19</u>	<u>FY2019-20</u>
Tax Rate Ceiling	\$0.540199	\$0.525170
Effective Tax Rate	\$0.506288	\$0.508664
Effective M&O Rate	\$0.352039	\$0.351006
Rollback Rate	\$0.542983	\$0.539293
Debt Rate	\$0.162781	\$0.160207
M&O Rate (ceiling)	\$0.377418	\$0.364963
<u>Proposed Rate in Budget</u>	<u>\$0.525170</u>	<u>\$0.515600</u>

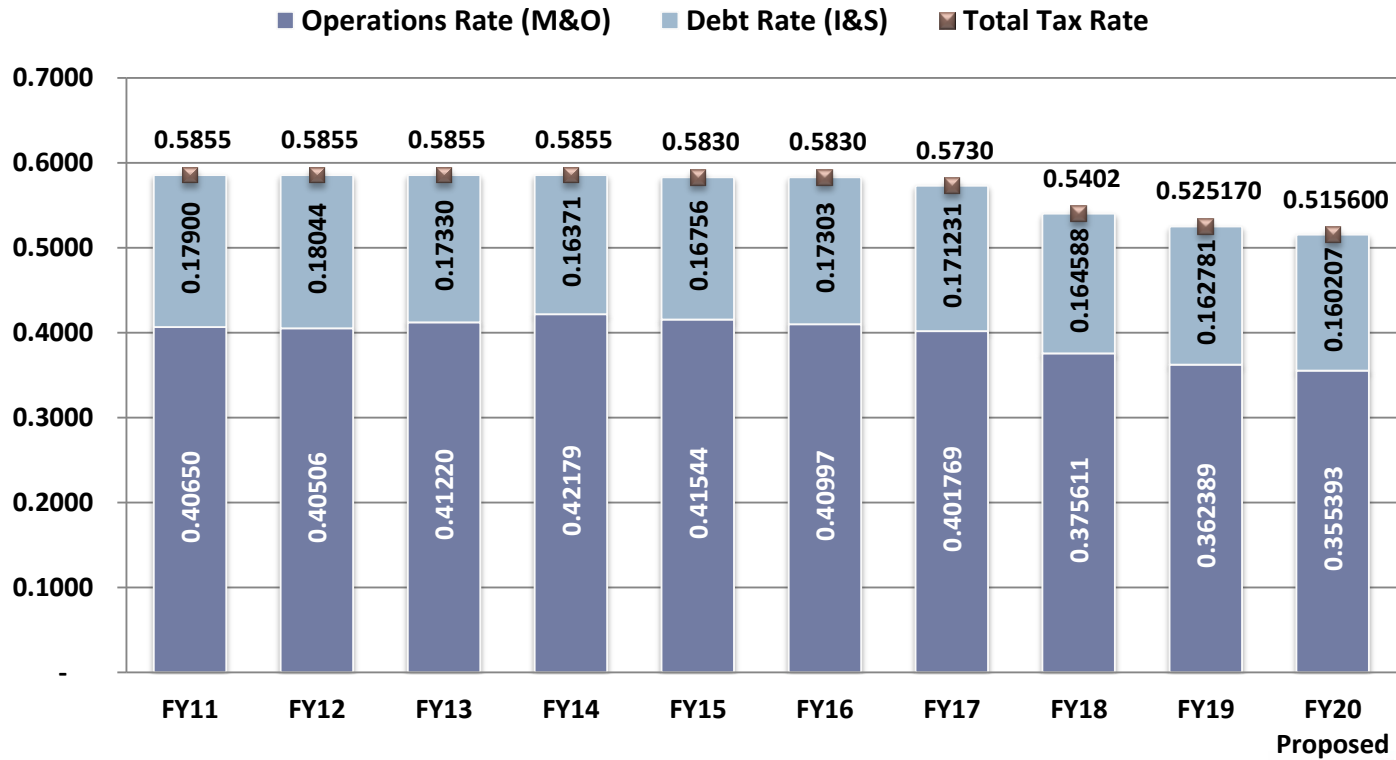
Taxable Value History



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 9th** – Budget Work Session
- **August 20th** – 1st Public Hearing on Tax Rate
- **September 3rd**
 - 1st Public Hearing on Budget
 - 2nd Public Hearing on Tax Rate
- **September 17th**
 - 2nd Public Hearing on Budget & Final Budget Adoption
 - Ratification of Property Tax Revenue Increase
 - Tax Rate Adoption
 - Fee/Rate Change Adoption

